

December 2007 Unbundled Financials

Chugach Electric Association, Inc.

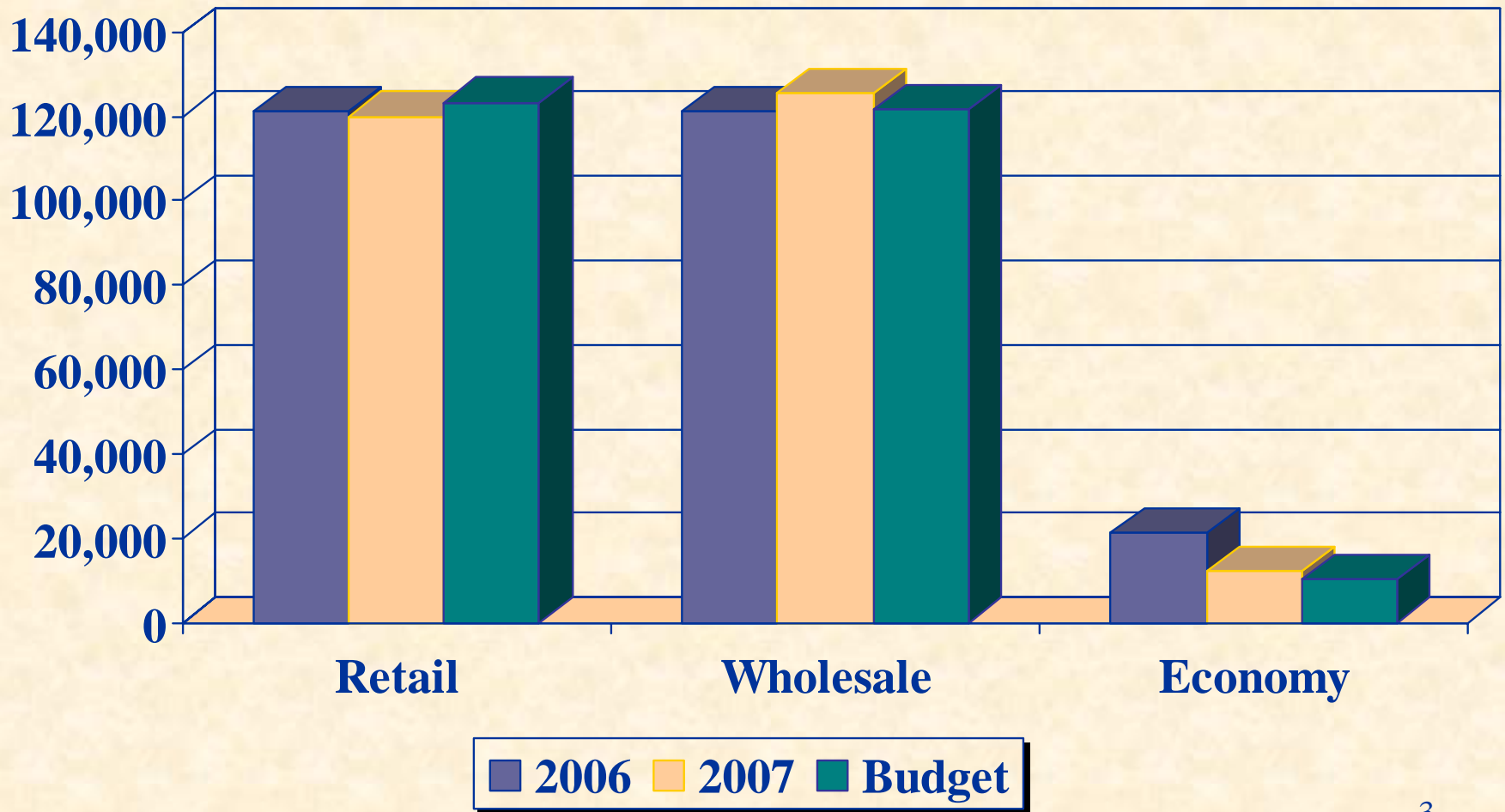
Finance Committee

March 5, 2008

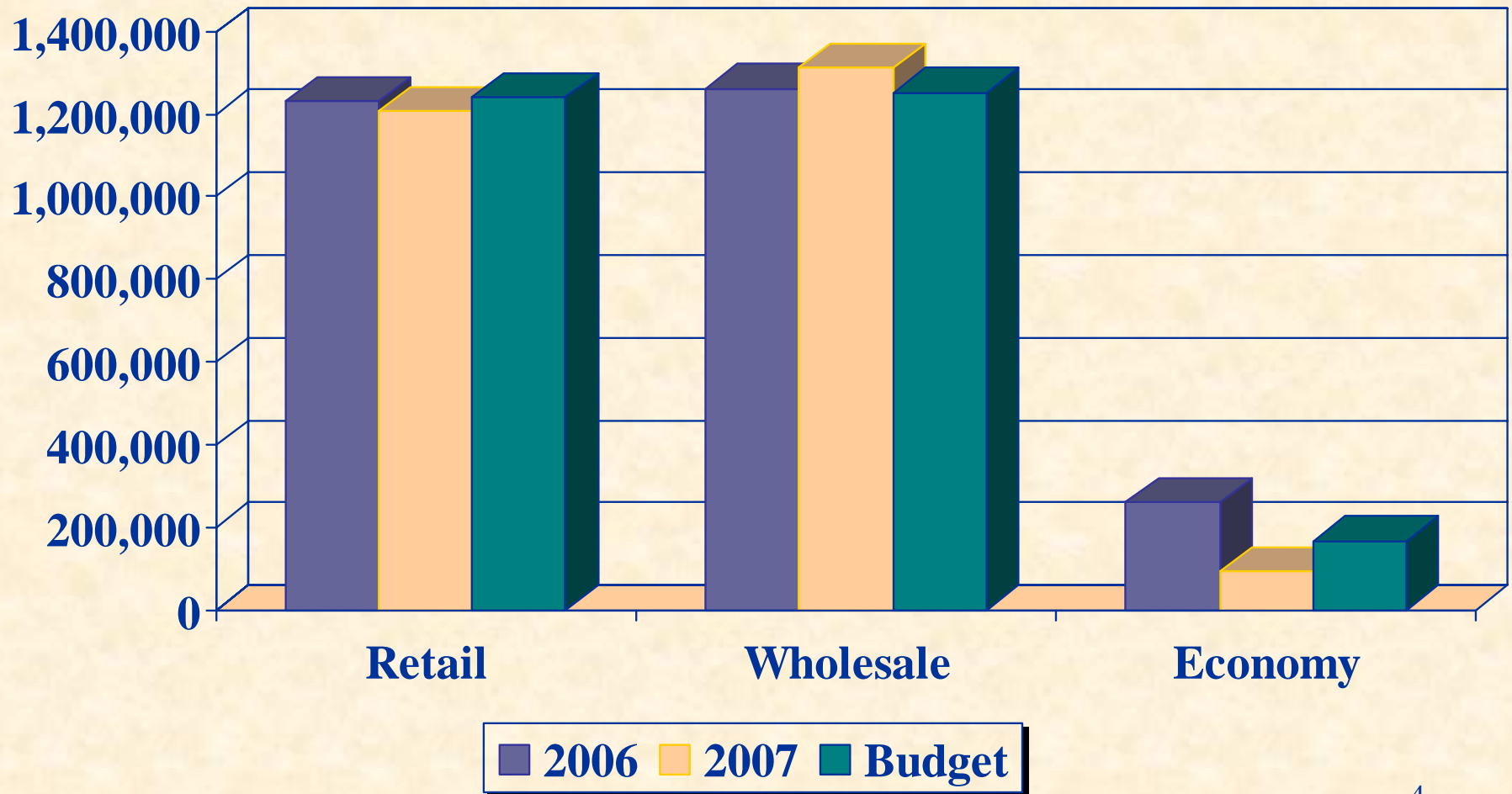
December Financial Information

- **MWh Sales**
- **System Statement of Operations**
- **G&T Statement of Operations**
- **Distribution Statement of Operations**
- **Balance Sheet**
- **Statement of Cash Flows**
- **Overtime Information**

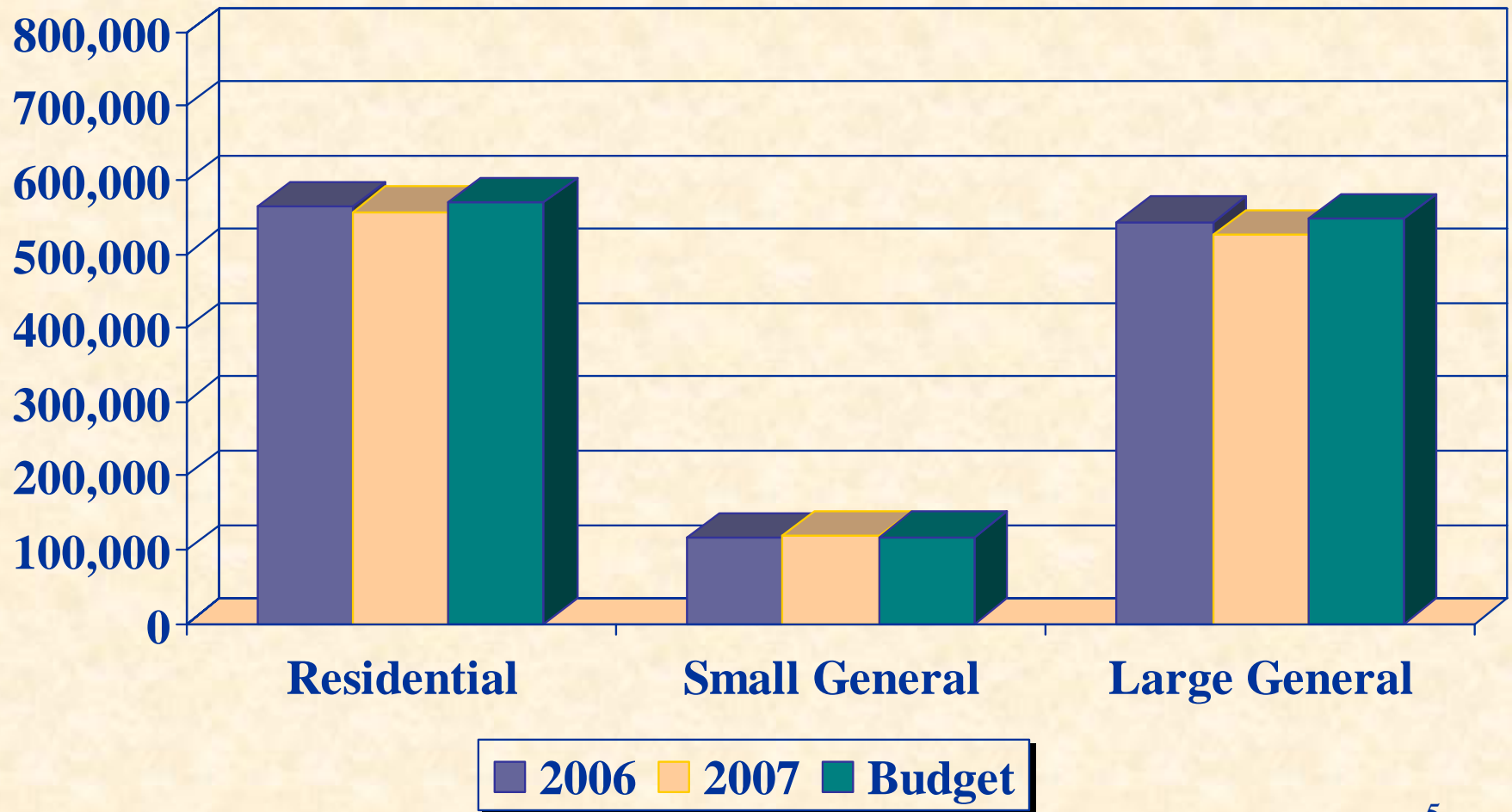
December MWh Sales



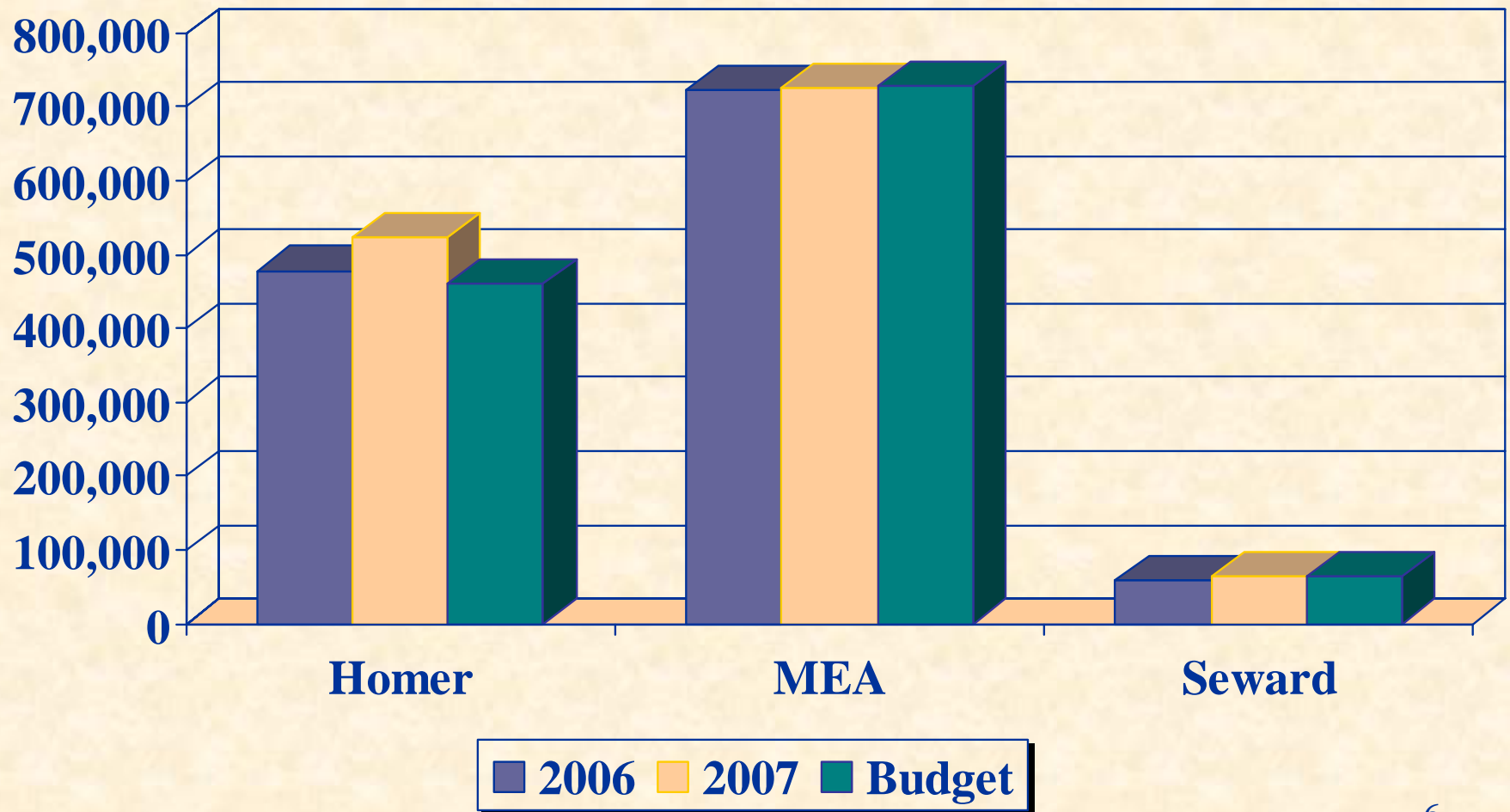
December YTD MWh Sales



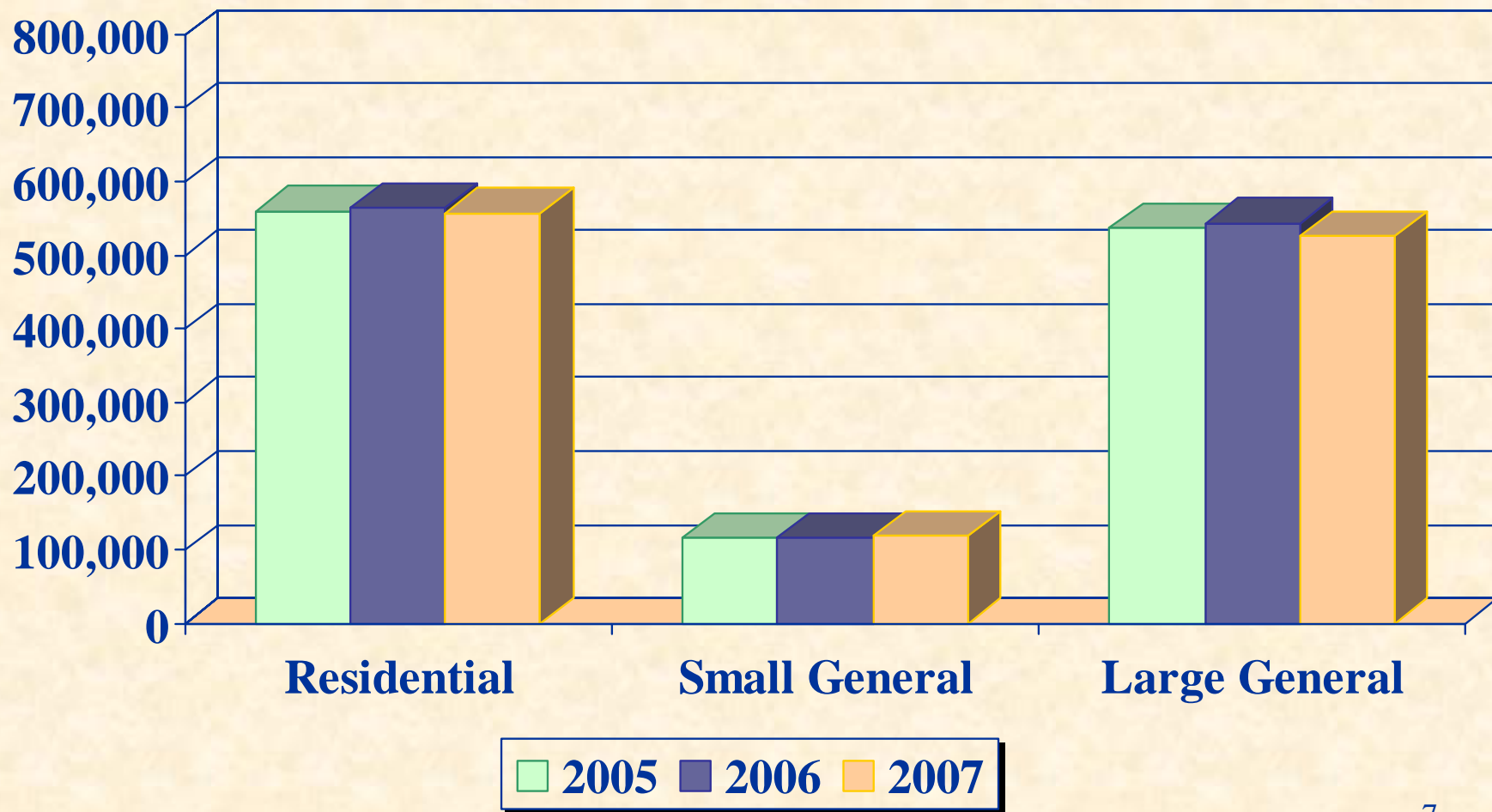
December YTD MWh Sales Retail Customers



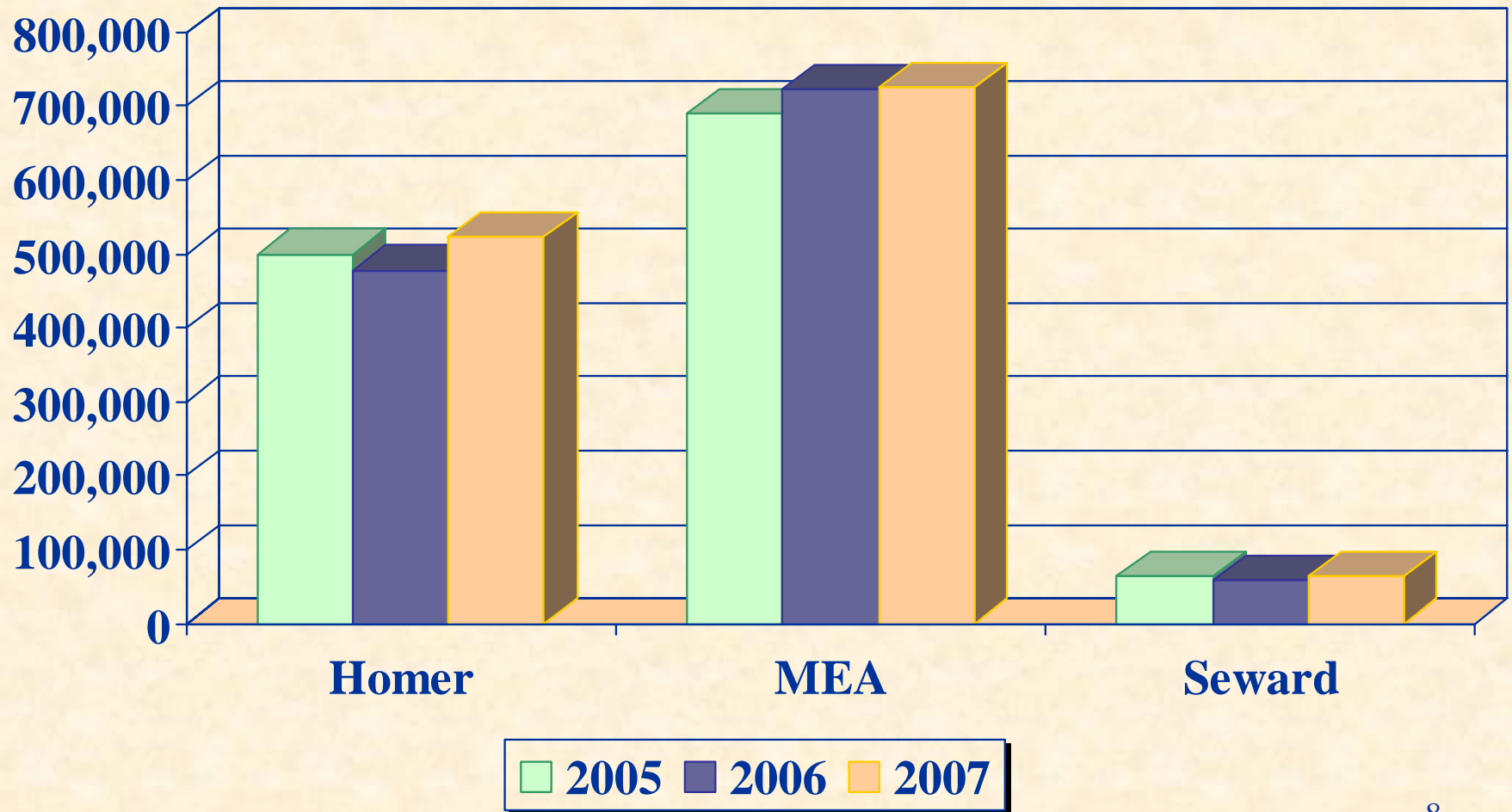
December YTD MWh Sales Wholesale Customers



December YTD MWh Sales 3 Year Comparison ~ Retail



December YTD MWh Sales 3 Year Comparison ~ Wholesale



System Statement of Operations

December 2007

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
1. Operating Revenue & Patronage Capital	\$ 26,698,569	\$ 21,349,611	\$ 5,348,958
2. Fuel Expense	12,420,976	12,420,976	0
3. Power Production Expense	1,552,937	1,552,937	0
4. Purchased Power Expense	2,666,337	2,666,337	0
5. Transmission Expense	635,303	635,303	0
6. Distribution Expense	1,202,548	0	1,202,548
7. Customer Expense	222,808	0	222,808
8. Administrative & General Expense	2,180,082	1,054,679	1,125,403
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 20,880,991	\$ 18,330,232	\$ 2,550,759
10. Depreciation & Amortization Expense	\$ 2,413,745	\$ 1,517,153	\$ 896,592
11. Tax Expense - Other	69,668	4,696	64,972
12. Interest on LT Debt	1,990,220	1,434,352	555,868
13. Interest Charged to Construction - Credit	(37,483)	(24,833)	(12,650)
14. Interest Expense - Other	1,619	971	648
15. Other Deductions	5,257	637	4,620
16. TOTAL Cost of Electric Service (10 thru 15)	\$ 25,324,017	\$ 21,263,208	\$ 4,060,809
17. Patronage Capital & Operating Margins	\$ 1,374,552	\$ 86,403	\$ 1,288,149
18. Non-Operating Margins - Interest	53,279	0	53,279
19. Allowance for Funds Used During Construction	14,606	7,504	7,102
20. Non-Operating Margins - Other	535,573	343,356	192,217
21. Patronage Capital or Margins	\$ 1,978,010	\$ 437,263	\$ 1,540,747
Achieved TIER	1.99	1.30	3.77
Operating Revenue per kWh	\$ 0.1088	\$ 0.0870	\$ 0.0446
Operating Cost per kWh	\$ 0.1032	\$ 0.0867	\$ 0.0339

System Statement of Operations

December YTD 2007

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
1. Operating Revenue & Patronage Capital	\$ 257,443,919	\$ 202,534,919	\$ 54,909,000
2. Fuel Expense	106,023,734	106,023,734	0
3. Power Production Expense	16,171,717	16,171,717	0
4. Purchased Power Expense	33,947,828	33,947,828	0
5. Transmission Expense	6,781,166	6,781,166	0
6. Distribution Expense	13,716,105	0	13,716,105
7. Customer Expense	4,899,878	0	4,899,878
8. Administrative & General Expense	20,767,717	10,190,536	10,577,181
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 202,308,145	\$ 173,114,981	\$ 29,193,164
10. Depreciation & Amortization Expense	\$ 29,049,627	\$ 18,481,745	\$ 10,567,882
11. Tax Expense - Other	834,582	111,901	722,681
12. Interest on LT Debt	24,239,343	17,471,237	6,768,106
13. Interest Charged to Construction - Credit	(617,194)	(267,416)	(349,778)
14. Interest Expense - Other	90,648	47,379	43,269
15. Other Deductions	174,669	50,452	124,217
15. TOTAL Cost of Electric Service (10 thru 15)	\$ 256,079,820	\$ 209,010,279	\$ 47,069,541
16. Patronage Capital & Operating Margins	\$ 1,364,099	\$ (6,475,360)	\$ 7,839,459
17. Non-Operating Margins - Interest	710,480	0	710,480
18. Allowance for Funds Used During Construction	274,248	117,965	156,283
19. Non-Operating Margins - Other	536,429	342,929	193,500
20. Patronage Capital or Margins	\$ 2,885,256	\$ (6,014,466)	\$ 8,899,722
Achieved TIER	1.12	0.66	2.31
Operating Revenue per kWh	\$ 0.1023	\$ 0.0805	\$ 0.0455
Operating Cost per kWh	\$ 0.1017	\$ 0.0830	\$ 0.0390

G&T Statement of Operations

December 2007

	<u>Budget</u>		<u>Actual</u>		<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 21,096,939	\$	\$ 21,349,611	\$	\$ 252,672
2. Fuel Expense	12,014,258		12,420,976		406,718
3. Power Production Expense	1,124,648		1,552,937		428,289
4. Purchased Power Expense	2,838,586		2,666,337		(172,249)
5. Transmission Expense	484,323		635,303		150,980
6. Distribution Expense	0		0		0
7. Customer Expense	0		0		0
8. Administrative & General Expense	728,889		1,054,679		325,790
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 17,190,704	\$	\$ 18,330,232	\$	\$ 1,139,528
10. Depreciation & Amortization Expense	\$ 1,879,596	\$	\$ 1,517,153	\$	(362,443)
11. Tax Expense - Other	10,080		4,696		(5,384)
12. Interest on LT Debt	1,465,775		1,434,352		(31,423)
13. Interest Charged to Construction - Credit	(55,569)		(24,833)		30,736
14. Interest Expense - Other	31,290		971		(30,319)
15. Other Deductions	12,000		637		(11,363)
16. TOTAL Cost of Electric Service (10 thru 15)	\$ 20,533,876	\$	\$ 21,263,208	\$	\$ 729,332
17. Patronage Capital & Operating Margins	\$ 563,063	\$	\$ 86,403	\$	(476,660)
18. Non-Operating Margins - Interest	0		0		0
19. Allowance for Funds Used During Construction	23,814		7,504		(16,310)
20. Non-Operating Margins - Other	429,078		343,356		(85,722)
21. Patronage Capital or Margins	\$ 1,015,955	\$	\$ 437,263	\$	(578,692)
Achieved TIER	1.69		1.30		(0.39)
Operating Revenue per kWh	\$ 0.0862	\$	\$ 0.0870	\$	0.0008
Operating Cost per kWh	\$ 0.0839	\$	\$ 0.0867	\$	0.0028

G&T Statement of Operations

December YTD 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 214,179,529	\$ 202,534,919	\$ (11,644,610)
2. Fuel Expense	119,498,914	106,023,734	(13,475,180)
3. Power Production Expense	15,103,872	16,171,717	1,067,845
4. Purchased Power Expense	31,004,687	33,947,828	2,943,141
5. Transmission Expense	6,240,760	6,781,166	540,406
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	9,787,316	10,190,536	403,220
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 181,635,549	\$ 173,114,981	\$ (8,520,568)
10. Depreciation & Amortization Expense	\$ 20,400,786	\$ 18,481,745	\$ (1,919,041)
11. Tax Expense - Other	120,959	111,901	(9,058)
12. Interest on LT Debt	17,583,768	17,471,237	(112,531)
13. Interest Charged to Construction - Credit	(572,477)	(267,416)	305,061
14. Interest Expense - Other	195,560	47,379	(148,181)
15. Other Deductions	143,999	50,452	(93,547)
15. TOTAL Cost of Electric Service (10 thru 15)	\$ 219,508,144	\$ 209,010,279	\$ (10,497,865)
16. Patronage Capital & Operating Margins	\$ (5,328,615)	\$ (6,475,360)	\$ (1,146,745)
17. Non-Operating Margins - Interest	0	0	0
18. Allowance for Funds Used During Construction	245,348	117,965	(127,383)
19. Non-Operating Margins - Other	429,078	342,929	(86,149)
20. Patronage Capital or Margins	\$ (4,654,189)	\$ (6,014,466)	\$ (1,360,277)
Achieved TIER	0.74	0.66	(0.08)
Operating Revenue per kWh	\$ 0.0859	\$ 0.0805	\$ (0.0054)
Operating Cost per kWh	\$ 0.0881	\$ 0.0830	\$ (0.0051)

Distribution Statement of Operations

December 2007

	<u>Budget</u>		<u>Actual</u>		<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 5,386,690	\$	\$ 5,348,958	\$	(37,732)
2. Fuel Expense	0		0		0
3. Power Production Expense	0		0		0
4. Purchased Power Expense	0		0		0
5. Transmission Expense	0		0		0
6. Distribution Expense	950,001		1,202,548		252,547
7. Customer Expense	443,635		222,808		(220,827)
8. Administrative & General Expense	759,172		1,125,403		366,231
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 2,152,808	\$	\$ 2,550,759	\$	397,951
10. Depreciation & Amortization Expense	875,741	\$	896,592	\$	20,851
11. Tax Expense - Other	72,592		64,972		(7,620)
12. Interest on LT Debt	583,887		555,868		(28,019)
13. Interest Charged to Construction - Credit	(58,093)		(12,650)		45,443
14. Interest Expense - Other	32,710		648		(32,062)
15. Other Deductions	13,000		4,620		(8,380)
16. TOTAL Cost of Electric Service (10 thru 15)	\$ 3,672,645	\$	\$ 4,060,809	\$	388,164
17. Patronage Capital & Operating Margins	\$ 1,714,045	\$	\$ 1,288,149	\$	(425,896)
18. Non-Operating Margins - Interest	26,758		53,279		26,521
19. Allowance for Funds Used During Construction	24,896		7,102		(17,794)
20. Non-Operating Margins - Other	170,922		192,217		21,295
21. Patronage Capital or Margins	\$ 1,936,621	\$	\$ 1,540,747	\$	(395,874)
Achieved TIER	4.32		3.77		(0.54)
Operating Revenue per kWh	\$ 0.0437	\$	\$ 0.0446	\$	0.0009
Operating Cost per kWh	\$ 0.0298	\$	\$ 0.0339	\$	0.0041

Distribution Statement of Operations

December YTD 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 56,039,979	\$ 54,909,000	\$ (1,130,979)
2. Fuel Expense	0	0	0
3. Power Production Expense	0	0	0
4. Purchased Power Expense	0	0	0
5. Transmission Expense	0	0	0
6. Distribution Expense	11,978,073	13,716,105	1,738,032
7. Customer Expense	5,514,543	4,899,878	(614,665)
8. Administrative & General Expense	10,117,324	10,577,181	459,857
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 27,609,940	\$ 29,193,164	\$ 1,583,224
10. Depreciation & Amortization Expense	\$ 10,463,277	\$ 10,567,882	\$ 104,605
11. Tax Expense - Other	751,164	722,681	(28,483)
12. Interest on LT Debt	7,004,443	6,768,106	(236,337)
13. Interest Charged to Construction - Credit	(598,473)	(349,778)	248,695
14. Interest Expense - Other	204,440	43,269	(161,171)
15. Other Deductions	156,001	124,217	(31,784)
15. TOTAL Cost of Electric Service (10 thru 15)	\$ 45,590,792	\$ 47,069,541	\$ 1,478,749
16. Patronage Capital & Operating Margins	\$ 10,449,187	\$ 7,839,459	\$ (2,609,728)
17. Non-Operating Margins - Interest	410,291	710,480	300,189
18. Allowance for Funds Used During Construction	256,488	156,283	(100,205)
19. Non-Operating Margins - Other	170,921	193,500	22,579
20. Patronage Capital or Margins	\$ 11,286,887	\$ 8,899,722	\$ (2,387,165)
Achieved TIER	2.61	2.31	(0.30)
Operating Revenue per kWh	\$ 0.0452	\$ 0.0455	\$ 0.0003
Operating Cost per kWh	\$ 0.0368	\$ 0.0390	\$ 0.0022

Balance Sheet, Assets & Other Debits

December 2007

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
1. Total Utility Plant In Service	\$ 805,631,207	\$ 471,308,020	\$ 334,323,187
2. Construction Work In Progress	17,712,884	10,623,971	7,088,913
3. Total Utility Plant (1 plus 2)	\$ 823,344,091	\$ 481,931,991	\$ 341,412,100
4. Accum. Provision for Depreciation and Amort.	(367,391,921)	(238,385,870)	(129,006,051)
5. Net Utility Plant (3 minus 4)	\$ 455,952,170	\$ 243,546,121	\$ 212,406,049
6. Nonutility Property - Net	24,461	0	24,461
7. Investment in Associated Organizations	11,993,378	8,648,113	3,345,265
8. Special Funds	768,041	371,809	396,232
9. Total Other Property & Investments (6 thru 8)	\$ 12,785,880	\$ 9,019,922	\$ 3,765,958
10. Cash & Temporary Investments	6,209,936	0	6,209,936
11. Special Deposits	125,117	48,035	77,082
12. Accounts Receivable - Net	31,355,481	22,958,833	8,396,648
13. Temporary Intracompany Non-Interest Bearing Balance	1,152,062	0	1,152,062
14. Materials and Supplies	28,422,088	21,737,511	6,684,577
15. Prepayments	1,357,980	871,607	486,373
16. Other Current & Accrued Assets	264,501	53,206	211,295
17. Total Current & Accrued Assets (10 thru 16)	\$ 68,887,165	\$ 45,669,192	\$ 23,217,973
18. Deferred Debits	21,252,965	19,364,427	1,888,538
19. Total Assets & Other Debits (5 + 9 + 17 + 18)	\$ 558,878,180	\$ 317,599,662	\$ 241,278,518

"Temporary Intracompany Non Interest Bearing Balance" does not represent a debt or payable to any customer.

Balance Sheet, Liabilities & Other Credits

December 2007

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
20. Memberships	\$ 1,345,013	\$ 0	\$ 1,345,013
21. Patronage Capital & Margins & Equities	147,965,423	24,685,536	123,279,887
22. Total Margins & Equities (20 plus 21)	\$ 149,310,436	\$ 24,685,536	\$ 124,624,900
23. Long-Term Debt - Bonds (Net)	299,600,000	215,921,720	83,678,280
24. Long-Term Debt - Other (Net)	45,823,500	33,024,996	12,798,504
25. Total Long-Term Debt (23 plus 24)	\$ 345,423,500	\$ 248,946,716	\$ 96,476,784
26. Notes Payable	10,106,804	7,283,974	2,822,830
27. Accounts Payable	7,935,566	3,038,243	4,897,323
28. Temporary Intracompany Non-Interest Bearing Balance	1,152,062	1,152,062	0
29. Consumer Deposits	2,403,051	0	2,403,051
30. Other Current & Accrued Liabilities	39,872,357	31,828,835	8,043,522
31. Total Current & Accrued Liabilities (26 thru 30)	\$ 61,469,840	\$ 43,303,114	\$ 18,166,726
32. Deferred Credits	1,906,363	292,487	1,613,876
33. Misc Operating Reserves	768,041	371,809	396,232
34. Total Liab & Other Credits (22 + 25 + 31 + 32 + 33)	\$ 558,878,180	\$ 317,599,662	\$ 241,278,518
Equity Ratio	30.18%	9.02%	56.37%

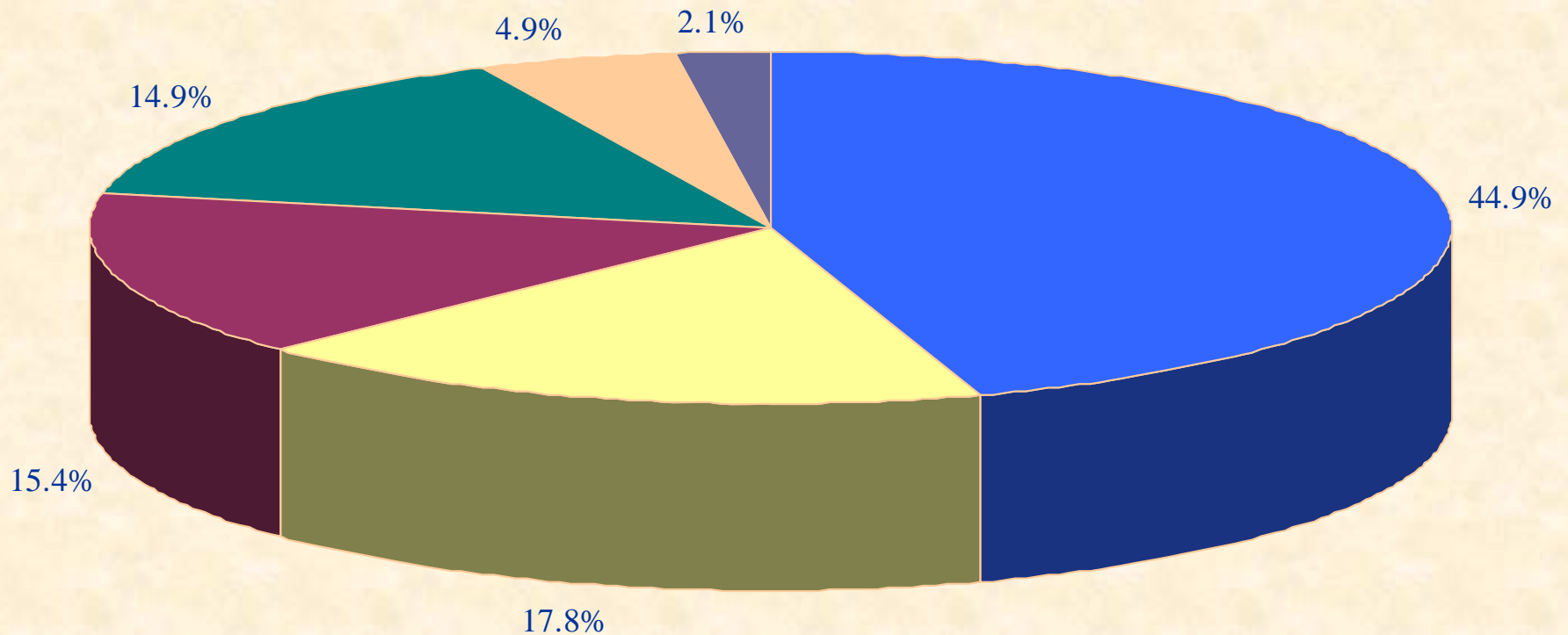
"Temporary Intracompany Non Interest Bearing Balance" does not represent a debt or payable to any customer.

Statements of Cash Flows

December YTD 2007

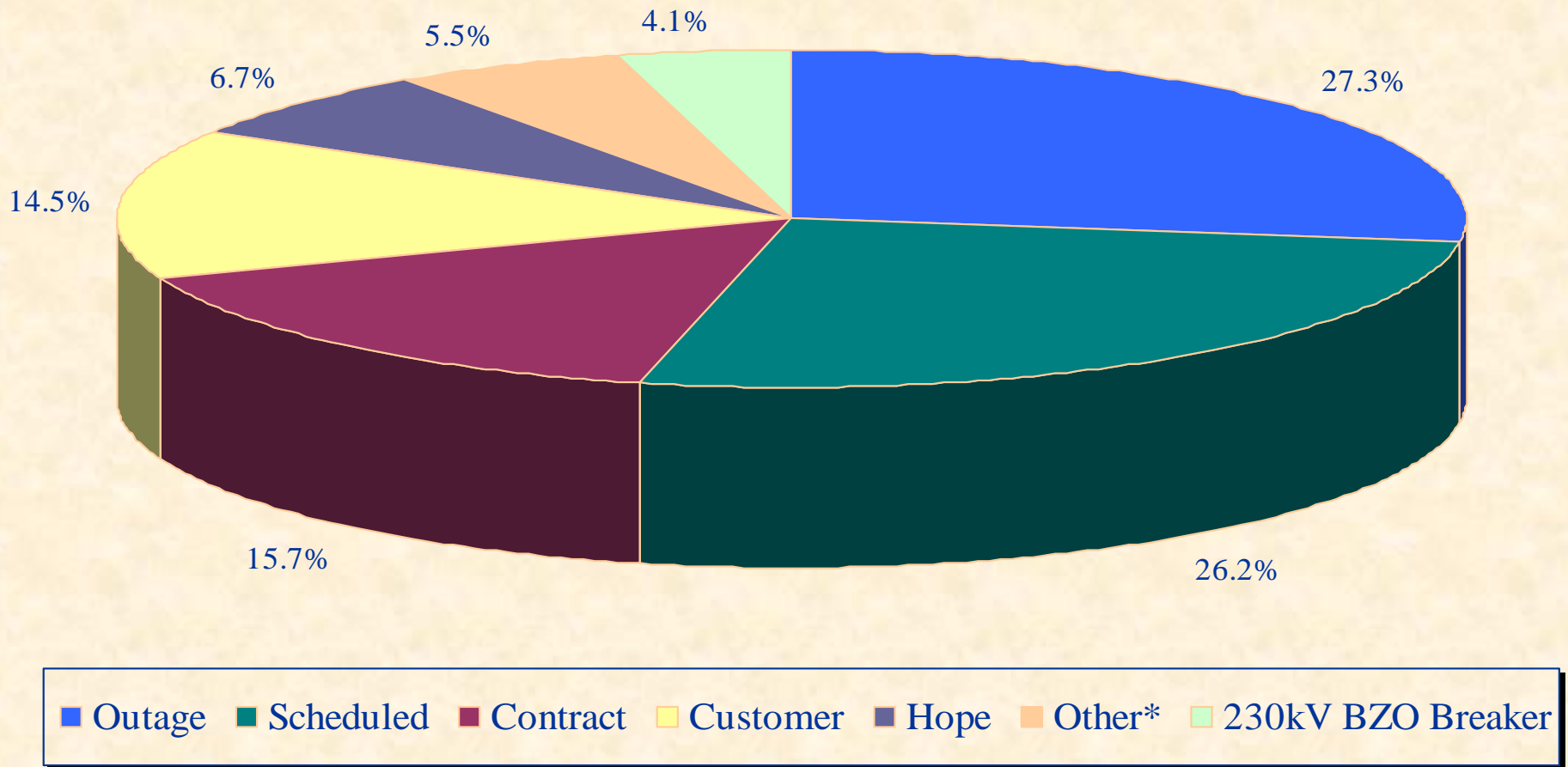
	<u>Total</u>	<u>Dist</u>	<u>Distribution</u>
1. Cash flows from operating activities:			
Assignable margins	\$ 2,885,256	\$ (6,014,466)	\$ 8,899,722
Adjustments to reconcile assignable margins to net cash provided (used) by operating activities:			
Depreciation & amortization	32,426,335	20,848,830	11,577,505
Capitalization of interest	(891,443)	(385,381)	(506,062)
Other	(78,228)	(166,476)	88,248
Changes in assets and liabilities:			
(Increase) decrease in assets:	(5,244,090)	(3,545,624)	(1,698,466)
Increase (decrease) in liabilities:	5,899,161	5,242,704	656,457
Net cash provided by operating activities:	\$ 34,996,991	\$ 15,979,587	\$ 19,017,404
2. Cash flows from investing activities:			
Extension and replacement of plant	(26,014,221)	(7,308,594)	(18,705,627)
Net cash used for investing activities:	\$ (26,014,221)	\$ (7,308,594)	\$ (18,705,627)
3. Cash flows from financing activities:			
Repayments of long-term obligations	(9,001,795)	(4,457,162)	(4,544,633)
Temporary Intracompany Non Interest Bearing Balance*	0	(2,679,438)	2,679,438
Patronage capital / Other	(3,615,953)	(1,534,393)	(2,081,560)
Net cash used for financing activities:	(12,617,748)	(8,670,993)	(3,946,755)
Net increase (decrease) in cash and cash equivalents	(3,634,978)	0	(3,634,978)
4. <u>Cash & cash equivalents at beginning of year</u>	\$ 9,844,914	\$ 0	\$ 9,844,914
5. <u>Cash & cash equivalents at end of period</u>	\$ 6,209,936	\$ 0	\$ 6,209,936

Outside Agreement Overtime December 2007



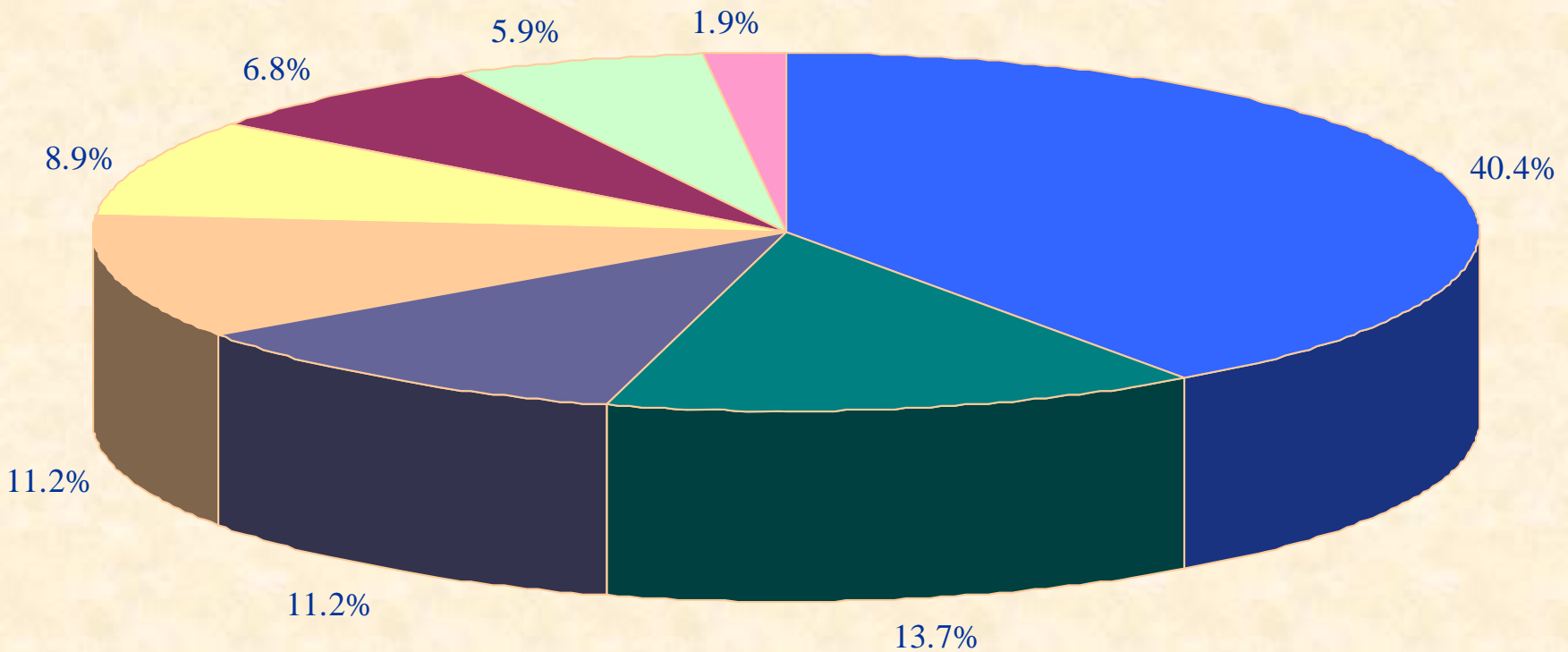
■ Outage ■ Customer ■ Contract ■ Scheduled ■ System Operation ■ Reimbursable

Outside Agreement Overtime December YTD 2007

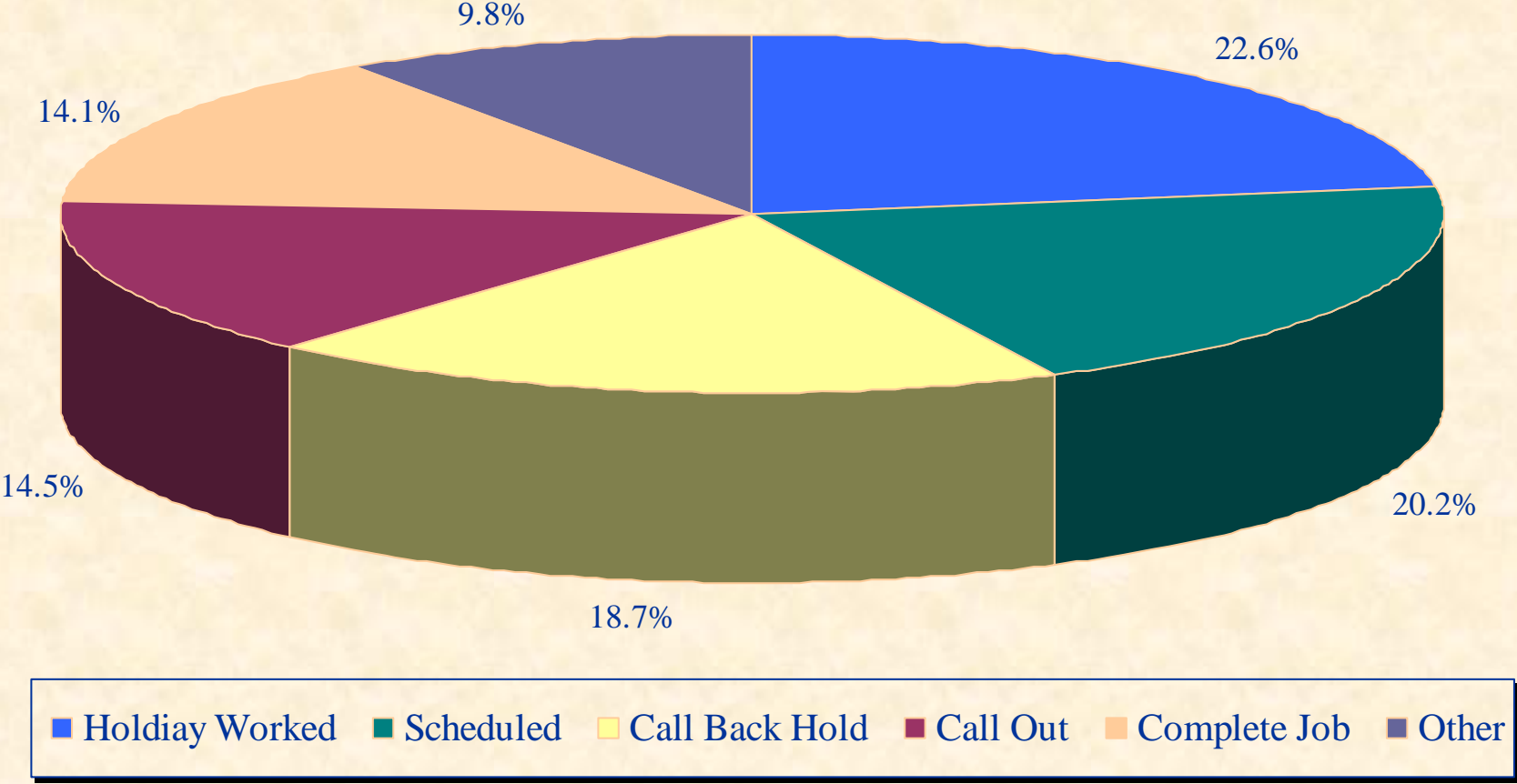


*Other includes System Operations, Reimbursable Activity and Dynamite Slough

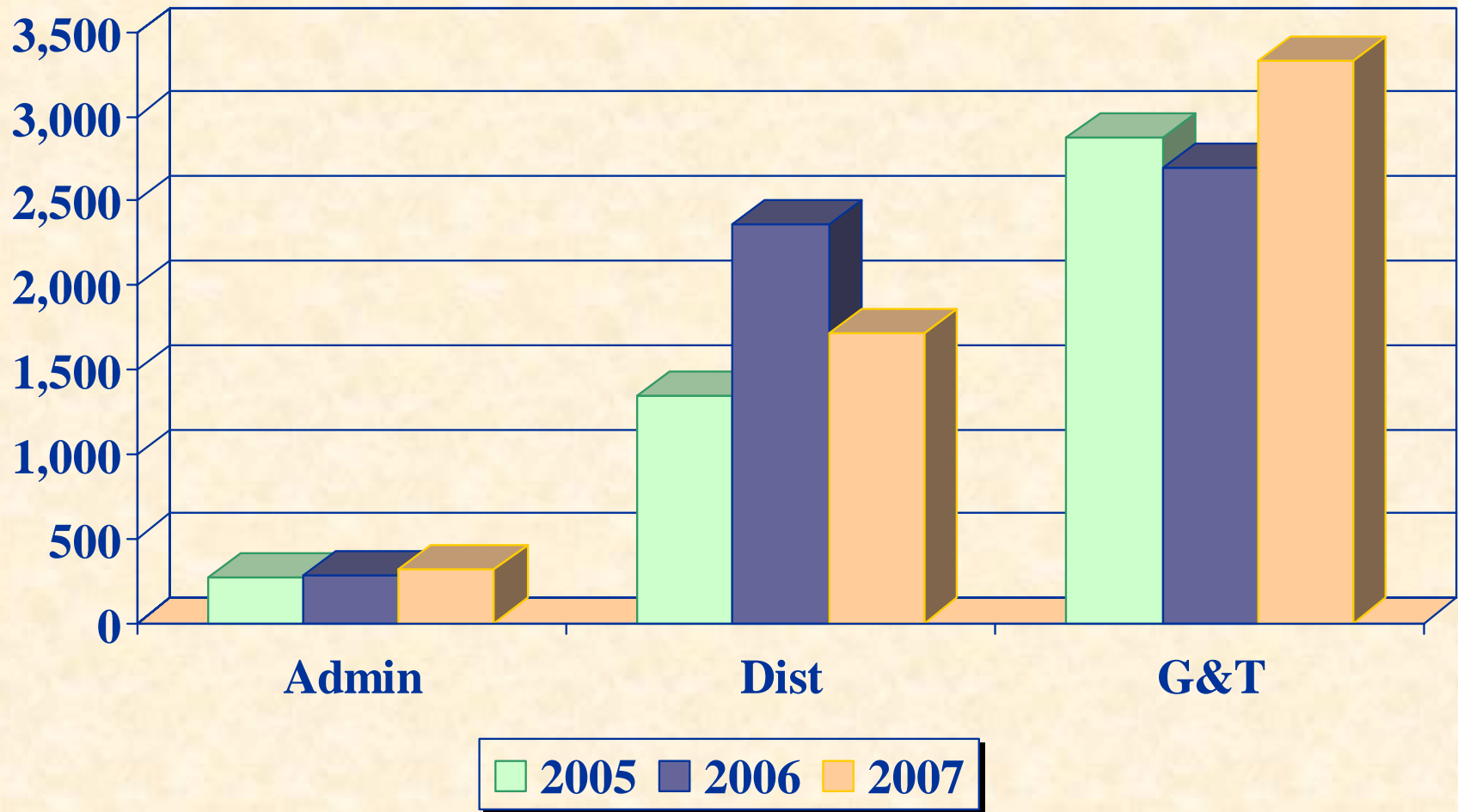
Generation Agreement Overtime December 2007



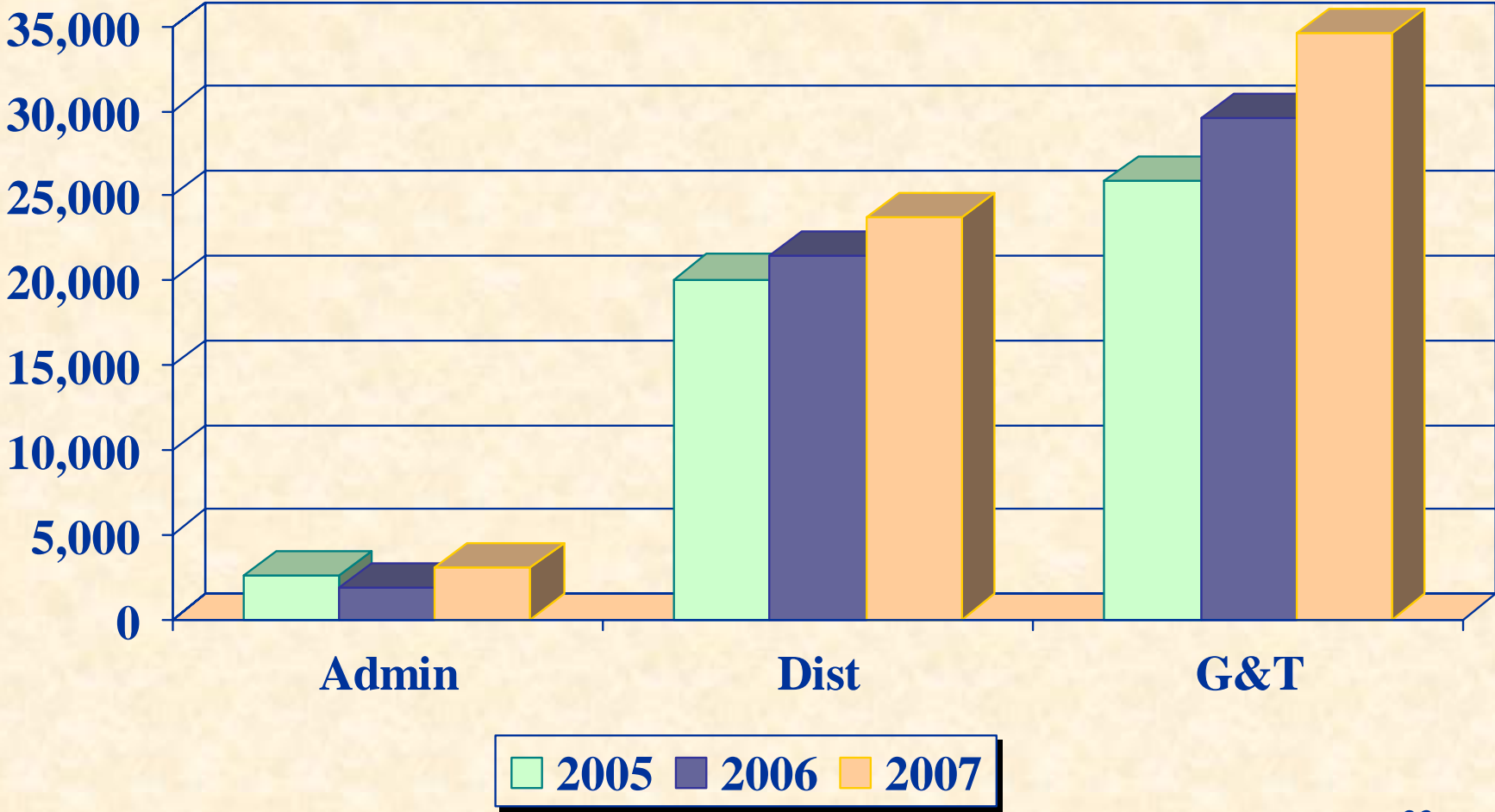
Generation Agreement Overtime December YTD 2007



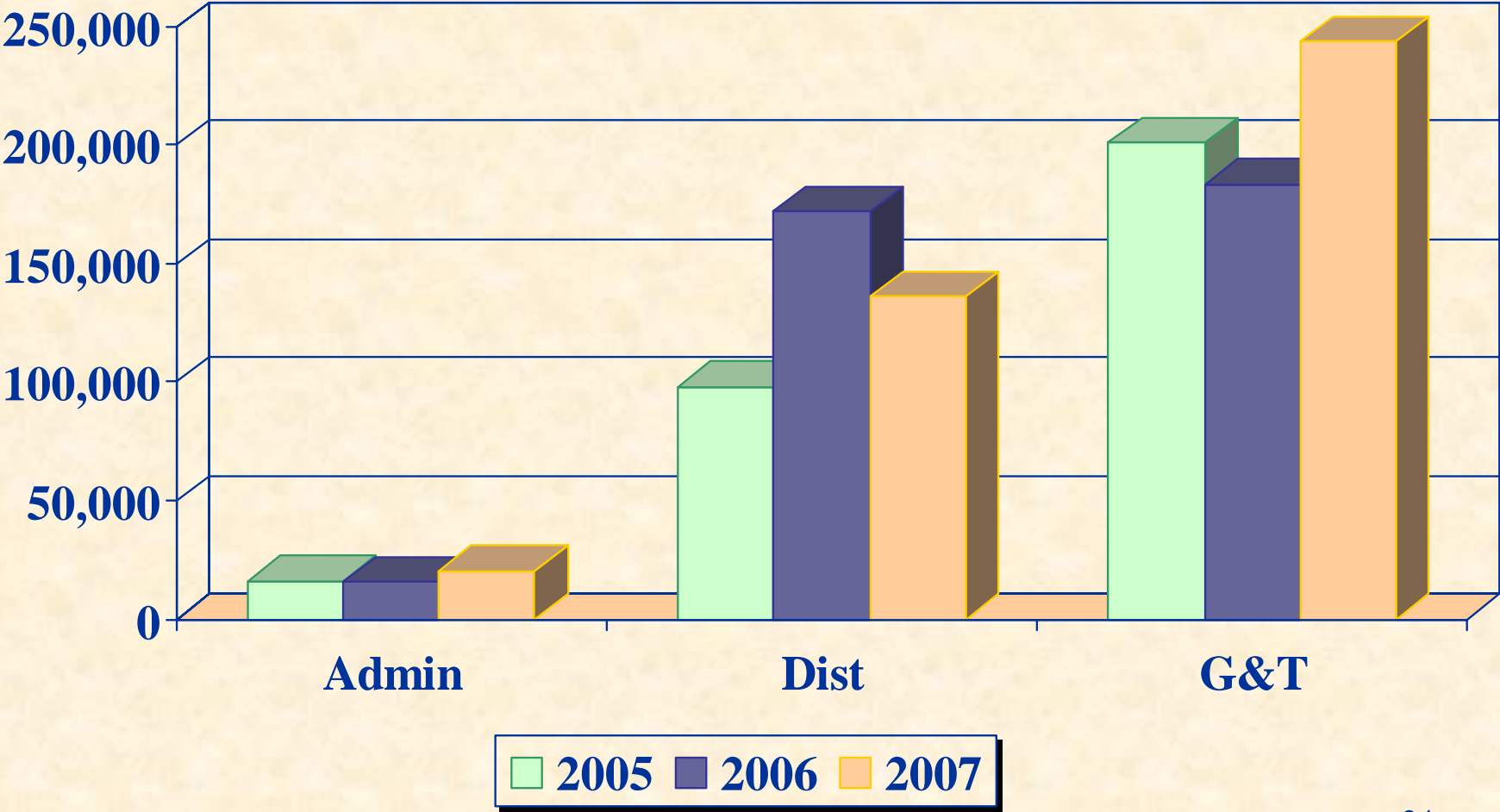
Overtime Hours December 2007



Overtime Hours December YTD 2007

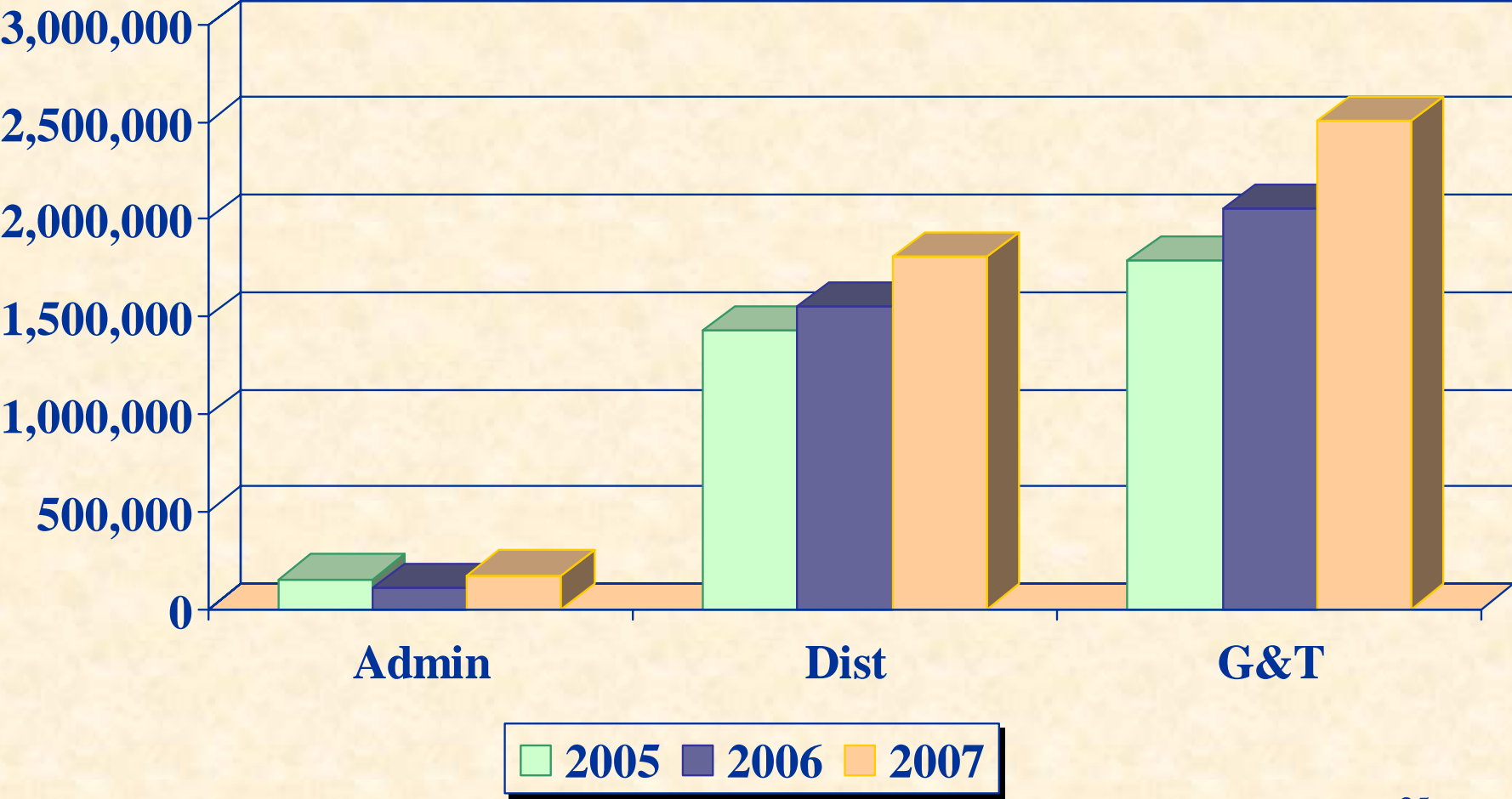


Overtime Dollars December 2007



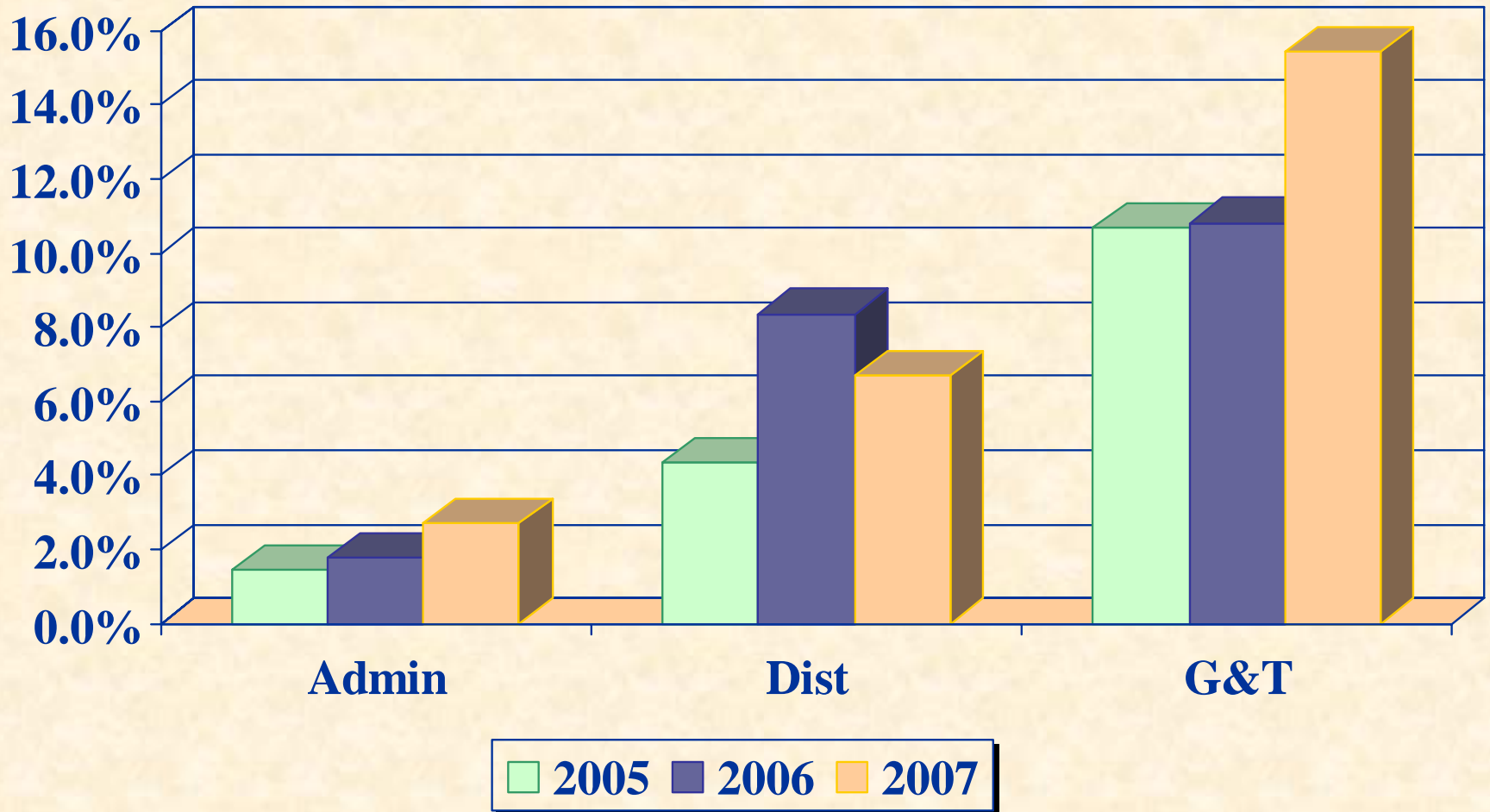
Overtime Dollars

December YTD 2007

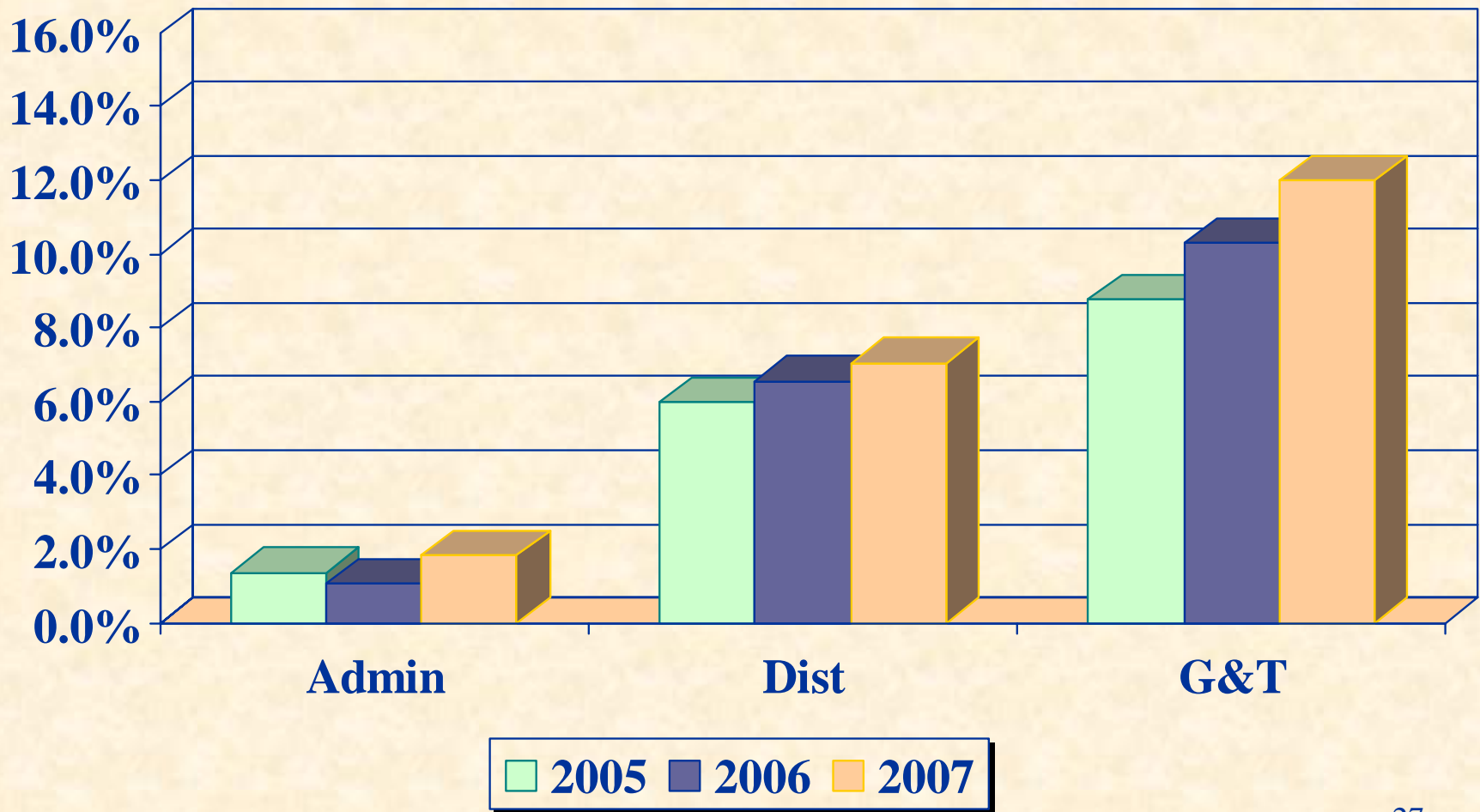


Overtime as a Percentage of Total Hours

December 2007



Overtime as a Percentage of Total Hours December YTD 2007



Questions?