

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Audited December 2003 Results**

**Finance Committee**

**March 10, 2004**

# 2003 Comparative Operating Statement

ITEM	BUDGET	ACTUAL	VARIANCE		% DIFF
REVENUES:					
RETAIL	111,551,748	115,717,487	4,165,739	F	3.73%
WHOLESALE	54,975,302	58,399,705	3,424,403	F	6.23%
ECONOMY ENERGY	7,862,341	7,112,276	(750,065)	U	(9.54%)
OTHER	2,220,000	2,802,945	582,945	F	26.26%
1. TOTAL REVENUE	<u>176,609,391</u>	<u>184,032,413</u>	<u>7,423,022</u>	F	<u>4.20%</u>
EXPENSES:					
2. FUEL	48,103,160	48,667,262	564,102	U	1.17%
3. POWER PRODUCTION EXPENSE	14,564,060	13,961,565	(602,495)	F	(4.14%)
4. COST OF PURCHASED POWER	17,524,711	18,244,921	720,210	U	4.11%
5. TRANSMISSION EXPENSE	4,577,973	4,511,002	(66,971)	F	(1.46%)
6. DISTRIBUTION EXPENSE-OPERATIONS	4,402,669	4,876,267	473,598	U	10.76%
7. DISTRIBUTION EXPENSE-MAINTENANCE	6,454,141	5,989,984	(464,157)	F	(7.19%)
8. CONSUMER ACCOUNTS EXPENSE	5,059,125	4,933,299	(125,826)	F	(2.49%)
9. CUSTOMER SERVICE/INFO EXPENSE	780,508	656,489	(124,019)	F	(15.89%)
10. SALES EXPENSE	0	0	0	U	0.00%
11. ADMINISTRATIVE/GENERAL EXPENSE	20,258,233	21,670,884	1,412,651	U	6.97%
12. TOTAL OPERATIONS/MAINTENANCE EXP.	<u>121,724,580</u>	<u>123,511,673</u>	<u>1,787,093</u>	U	<u>1.47%</u>

# 2003 Comparative Operating Statement continued

ITEM	BUDGET	ACTUAL	VARIANCE		% DIFF
1. TOTAL REVENUE	176,609,391	184,032,413	7,423,022	F	4.20%
12. TOTAL OPERATIONS/MAINTENANCE EXP.	121,724,580	123,511,673	1,787,093	U	1.47%
13. DEPRECIATION/AMORTIZATION EXP.	28,357,532	27,792,051	(565,481)	F	(1.99%)
14. TAX EXPENSE-OTHER	724,100	827,572	103,472	U	14.29%
15. LONG TERM INTEREST EXP.	24,008,642	23,110,239	(898,403)	F	(3.74%)
16. (INTEREST DURING CONSTRUCTION)	(722,708)	(411,312)	311,396	U	43.09%
17. SHORT TERM INTEREST EXP.	390,000	161,901	(228,099)	F	100.00%
18. OTHER DEDUCTIONS	100,000	3,871,733	3,771,733	U	3771.73%
19. TOTAL COST OF ELECTRIC SERVICE	174,582,146	178,863,857	4,281,711	U	2.45%
20. PATRON CAPITAL/OPER. MARGINS	2,027,245	5,168,556	3,141,311	F	154.95%
21. NON-OPER. MARGINS-INTEREST	329,654	325,324	(4,330)	U	(1.31%)
22. ALLOW-FUNDS DURING CONSTRUCTION	158,643	76,047	(82,596)	U	(52.06%)
23. NON-OPER. MARGINS-OTHER	0	80,061	80,061	F	100.00%
24. G/T CAPITAL CREDITS	0	0	0		0.00%
25. OTHER CAPITAL CREDITS	750,000	603,132	(146,868)	U	100.00%
26. EXTRAORDINARY ITEMS	0	0	0		0.00%
27. PATRON CAPITAL/MARGINS	3,265,542	6,253,120	2,987,578	F	91.49%

# 2003 Statement of Cashflows

	YTD December	
	2003	2002
<u>Cash flows from operating activities:</u>		
Assignable margins	\$6,253,120	(\$2,016,150)
<b>Net cash (used) provided by operating activities:</b>	<b>41,162,831</b>	<b>8,496,688</b>
<u>Cash flows from investing activities:</u>		
Extension and replacement of plant	(26,526,858)	(16,859,047)
Investments in associated organizations	(419,226)	(480,097)
<b>Net cash used for investing activities:</b>	<b>(26,946,084)</b>	<b>(17,339,144)</b>
<u>Cash flows from financing activities:</u>		
Short-term obligations	(6,081,250)	0
Proceeds from long-term obligations	0	180,000,000
Repayments of long-term obligations	(5,165,821)	(164,638,695)
Retirement of patronage capital	(60,209)	(3,019,722)
Other	991,327	(29,602)
<b>Net cash provided by financing activities:</b>	<b>(10,315,953)</b>	<b>12,311,981</b>
Net increase (decrease) in cash and cash equivalents	3,900,794	3,469,525
<u>Cash and cash equivalents at beginning of year</u>	<u>\$7,284,292</u>	<u>\$3,814,767</u>
<u>Cash and cash equivalents at end of period</u>	<u>\$11,185,086</u>	<u>\$7,284,292</u>
<u>Supplemental disclosure of cash flow information</u>		
Interest expense paid, net of amounts capitalized	\$23,076,144	\$27,039,695

# 2003 kWh Sales

DESCRIPTION	BUDGET	ACTUAL	VARIANCE	VARIANCE %
RESIDENTIAL SALES	543,155,145	547,755,949	4,600,804	0.85%
SMALL GENERAL SERVICE	96,685,890	99,128,126	2,442,236	2.53%
LARGE GENERAL SERVICE	503,706,965	519,793,324	16,086,359	3.19%
USPS	5,239,837	5,204,105	(35,732)	-0.68%
LIGHTING	4,832,326	4,705,507	(126,819)	-2.62%
<b>TOTAL RETAIL KWH SALES</b>	<b>1,153,620,163</b>	<b>1,176,587,011</b>	<b>22,966,848</b>	<b>1.99%</b>
HOMER	506,160,941	448,029,118	(58,131,823)	-11.48%
MATANUSKA	613,202,636	620,164,090	6,961,454	1.14%
SEWARD	61,766,000	60,966,504	(799,496)	-1.29%
ML&P	0	0	0	0.00%
<b>TOTAL WHOLES ALE KWH SALES</b>	<b>1,181,129,577</b>	<b>1,129,159,712</b>	<b>(51,969,865)</b>	<b>-4.40%</b>
<b>TOTAL FIRM KWH SALES</b>	<b>2,334,749,740</b>	<b>2,305,746,723</b>	<b>(29,003,017)</b>	<b>-1.24%</b>
GOLDEN VALLEY	218,700,000	191,615,590	(27,084,410)	-12.38%
<b>TOTAL ECONOMY ENERGY KWH SALES</b>	<b>218,700,000</b>	<b>191,615,590</b>	<b>(27,084,410)</b>	<b>-12.38%</b>
<b>TOTAL KWH SALES</b>	<b>2,553,449,740</b>	<b>2,497,362,313</b>	<b>(56,087,427)</b>	<b>-2.20%</b>