

CHUGACH ELECTRIC ASSOCIATION, INC.  
ANCHORAGE, ALASKA

April 23, 2008

To: Mike Cunningham, Chief Financial Officer  
From: Sherri McKay-Highers, Manager, Corporate Budgeting  
Subject: 1<sup>st</sup> Quarter Operating Budget Status Report

There were no budget adjustments in the first quarter of 2008. See Operating Budget Status Report on page 2.

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**OPERATING BUDGET STATUS REPORT**  
**1ST QUARTER 2008**

CATEGORY	2008 AMENDED BUDGET	2008 BUDGET REVISIONS	2008 REVISED BUDGET
<b>REVENUES:</b>			
<b>1. TOTAL REVENUE</b>	<b>\$272,069,723</b>	<b>\$0</b>	<b>\$272,069,723</b>
<b>EXPENSES:</b>			
2. FUEL EXPENSE	121,218,046	0	121,218,046
3. POWER PRODUCTION EXPENSE	16,445,185	0	16,445,185
4. COST OF PURCHASED POWER	31,119,383	0	31,119,383
5. TRANSMISSION EXPENSE	6,483,569	0	6,483,569
6. DISTRIBUTION EXPENSE-OPERATIONS	4,696,382	0	4,696,382
7. DISTRIBUTION EXPENSE-MAINTENANCE	7,029,742	0	7,029,742
8. CONSUMER ACCOUNTS EXPENSE	5,041,115	0	5,041,115
9. CUSTOMER SERVICE/INFO EXPENSE	699,429	0	699,429
11. ADMINISTRATIVE/GENERAL EXPENSE	17,690,176	0	17,690,176
<b>12. TOTAL OPERATIONS/MAINTENANCE EXPENSE</b>	<b>\$210,423,027</b>	<b>\$0</b>	<b>\$210,423,027</b>
13. DEPRECIATION/AMORTIZATION EXPENSE	30,354,147	0	30,354,147
14. TAX EXPENSE-OTHER	884,862	0	884,862
15. INTEREST-LONG TERM DEBT	23,119,883	0	23,119,883
16. INTEREST ON CONSTRUCTION-CREDIT	(998,921)	0	(998,921)
17. INTEREST EXPENSE-OTHER	325,417	0	325,417
18. OTHER DEDUCTIONS	250,000	0	250,000
<b>19. TOTAL COST OF ELECTRIC SERVICE</b>	<b>\$264,358,415</b>	<b>\$0</b>	<b>\$264,358,415</b>
<b>20. PATRONAGE CAPITAL/OPERATING MARGINS</b>	<b>\$7,711,308</b>	<b>\$0</b>	<b>\$7,711,308</b>
21. NON-OPERATING MARGINS-INTEREST	392,263	0	392,263
22. ALLOWANCE FUNDS USED DURING CONST.	431,788	0	431,788
23. NON-OPERATING MARGINS-OTHER	0	0	0
24. GENER./TRANS. CAPITAL CREDITS	0	0	0
25. OTHER CAPITAL CREDITS/DIVIDENDS	525,000	0	525,000
26. EXTRAORDINARY ITEMS	0	0	0
<b>27. PATRONAGE CAPITAL OR MARGINS</b>	<b>\$9,060,359</b>	<b>\$0</b>	<b>\$9,060,359</b>

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