

May 2006

Unbundled Financial Statements

Chugach Electric Association, Inc.

June 28, 2006

May Financial Information

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MWh Sales May 2006



MWh Sales YTD May 2006



System Statement of Operations

YTD May 2006

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
1. Operating Revenue & Patronage Capital	\$ 106,792,205	\$ 83,576,889	\$ 23,215,316
2. Fuel Expense	45,444,802	45,444,802	0
3. Power Production Expense	5,265,358	5,265,358	0
4. Purchased Power Expense	11,472,377	11,472,377	0
5. Transmission Expense	2,045,890	2,045,890	0
6. Distribution Expense - Operations	2,021,514	0	2,021,514
7. Distribution Expense - Maintenance	2,685,438	0	2,685,438
8. Consumer Accounts Expense	1,867,358	0	1,867,358
9. Customer Service & Informational Expense	198,066	0	198,066
10. Administrative & General Expense	7,227,639	3,482,311	3,745,328
11. Total Ops & Maint Expense (2 thru 10)	\$ 78,228,442	\$ 67,710,738	\$ 10,517,704
12. Depreciation & Amortization Expense	\$ 11,819,318	\$ 7,581,109	\$ 4,238,209
13. Tax Expense - Other	360,853	47,740	313,113
14. Interest on LT Debt	10,093,409	7,182,458	2,910,951
15. Interest Charged to Construction - Credit	(167,427)	(85,054)	(82,373)
16. Interest Expense - Other	0	0	0
17. Other Deductions	196,296	180,289	16,007
18. Total Cost of Electric Service (11 thru 17)	\$ 100,530,891	\$ 82,617,280	\$ 17,913,611
19. Patronage Capital & Operating Margins	\$ 6,261,314	\$ 959,609	\$ 5,301,705
20. Non-Operating Margins - Interest	318,496	0	318,496
21. Allowance for Funds Used During Construction	63,139	31,715	31,424
22. Non-Operating Margins - Other	(12,755)	(12,030)	(725)
23. Generation & Transmission Capital Credits	0	0	0
24. Other Capital Credits & Patronage Dividends	(57)	(40)	(17)
25. Extraordinary Items	0	0	0
26. Patronage Capital or Margins	\$ 6,630,137	\$ 979,254	\$ 5,650,883
Achieved TIER	1.66	1.14	2.94
Operating Revenue per kWh	\$ 0.11	\$ 0.09	\$ 0.05
Operating Cost per kWh	\$ 0.10	\$ 0.09	\$ 0.04

G&T Statement of Operations

YTD May 2006

	Budget	Actual	Variance
1. Operating Revenue & Patronage Capital	\$ 87,898,230	\$ 83,576,889	\$ (4,321,341)
2. Fuel Expense	49,396,236	45,444,802	(3,951,434)
3. Power Production Expense	5,974,720	5,265,358	(709,362)
4. Purchased Power Expense	11,286,799	11,472,377	185,578
5. Transmission Expense	2,264,399	2,045,890	(218,509)
6. Distribution Expense - Operations	0	0	0
7. Distribution Expense - Maintenance	0	0	0
8. Consumer Accounts Expense	0	0	0
9. Customer Service & Informational Expense	0	0	0
10. Administrative & General Expense	3,519,960	3,482,311	(37,649)
11. Total Ops & Maint Expense (2 thru 10)	\$ 72,442,114	\$ 67,710,738	\$ (4,731,376)
12. Depreciation & Amortization Expense	7,589,934	7,581,109	(8,825)
13. Tax Expense - Other	42,895	47,740	4,845
14. Interest on LT Debt	6,940,954	7,182,458	241,504
15. Interest Charged to Construction - Credit	(112,159)	(85,054)	27,105
16. Interest Expense - Other	0	0	0
17. Other Deductions	60,077	180,289	120,212
18. Total Cost of Electric Service (11 thru 17)	\$ 86,963,815	\$ 82,617,280	\$ (4,346,535)
19. Patronage Capital & Operating Margins	\$ 934,415	\$ 959,609	\$ 25,194
20. Non-Operating Margins - Interest	0	0	0
21. Allowance for Funds Used During Construction	19,794	31,715	11,921
22. Non-Operating Margins - Other	0	(12,030)	(12,030)
23. Generation & Transmission Capital Credits	0	0	0
24. Other Capital Credits & Patronage Dividends	0	(40)	(40)
25. Extraordinary Items	0	0	0
26. Patronage Capital or Margins	\$ 954,209	\$ 979,254	\$ 25,045
Achieved TIER	1.14	1.14	(0.00)
Operating Revenue per kWh	\$ 0.10	\$ 0.09	(0.01)
Operating Cost per kWh	\$ 0.10	\$ 0.09	(0.01)

Dist Statement of Operations

YTD May 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 23,916,519	\$ 23,215,316	\$ (701,203)
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 - Operations	1,823,368	2,021,514	198,146
7. Distribution Expense - Maintenance	2,873,068	2,685,438	(187,630)
8. Consumer Accounts Expense	1,897,647	1,867,358	(30,289)
9. Customer Service & Informational Expense	278,493	198,066	(80,427)
10. Administrative & General Expense	3,900,159	3,745,328	(154,831)
11. Total Ops & Maint Expense (2 thru 10)	\$ 10,772,735	\$ 10,517,704	\$ (255,031)
12. Depreciation & Amortization Expense	\$ 4,238,974	4,238,209	\$ (765)
13. Tax Expense - Other	313,537	313,113	(424)
14. Interest on LT Debt	2,818,107	2,910,951	92,844
15. Interest Charged to Construction - Credit	(72,147)	(82,373)	(10,226)
16. Interest Expense - Other	0	0	0
17. Other Deductions	64,923	16,007	(48,916)
18. Total Cost of Electric Service (11 thru 17)	\$ 18,136,129	\$ 17,913,611	\$ (222,518)
19. Patronage Capital & Operating Margins	\$ 5,780,390	\$ 5,301,705	\$ (478,685)
20. Non-Operating Margins - Interest	177,888	318,496	140,608
21. Allowance for Funds Used During Construction	12,732	31,424	18,692
22. Non-Operating Margins - Other	0	(725)	(725)
23. Generation & Transmission Capital Credits	0	0	0
24. Other Capital Credits & Patronage Dividends	0	(17)	(17)
25. Extraordinary Items	0	0	0
26. Patronage Capital or Margins	\$ 5,971,010	\$ 5,650,883	\$ (320,127)
Achieved TIER	3.12	2.94	(0.18)
Operating Revenue per kWh	\$ 0.06	\$ 0.05	(0.01)
Operating Cost per kWh	\$ 0.04	\$ 0.04	0.00

Unbundled Balance Sheet

Assets & Other Debits

As of May 30, 2006

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
1. Total Utility Plant In Service	\$ 782,823,055	\$ 475,380,046	\$ 307,443,009
2. Construction Work In Progress	15,684,396	5,289,411	10,394,985
3. Total Utility Plant (1 plus 2)	\$ 798,507,451	\$ 480,669,457	\$ 317,837,994
4. Accum. Provision for Depreciation and Amort.	(337,747,286)	(221,237,242)	(116,510,044)
5. Net Utility Plant (3 minus 4)	\$ 460,760,165	\$ 259,432,215	\$ 201,327,950
6. Nonutility Property - Net	24,461	0	24,461
7. Investment in Associated Organizations	11,881,980	8,484,380	3,397,600
8. Total Other Property & Investments (6 plus 7)	\$ 11,906,441	\$ 8,484,380	\$ 3,422,061
9. Cash & Temporary Investments	19,005,493	300,262	18,705,231
10. Special Deposits	216,190	75,357	140,833
11. Accounts Receivable - Net	22,500,521	16,548,305	5,952,216
13. Materials and Supplies	26,730,002	23,072,460	3,657,542
14. Prepayments	1,190,528	576,650	613,878
15. Other Current & Accrued Assets	155,163	34,815	120,348
16. Total Current & Accrued Assets (9 thru 15)	\$ 69,797,897	\$ 40,607,849	\$ 29,190,048
17. Deferred Debits	18,314,032	15,671,259	2,642,773
18. Total Assets & Other Debits (5 + 8 + 16 + 17)	\$ 560,778,535	\$ 324,195,703	\$ 236,582,832

Unbundled Balance Sheet

Liabilities & Other Credits

As of May 30, 2006

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
19. Memberships	\$ 1,268,253	\$ 0	\$ 1,268,253
20. Patronage Capital & Margins & Equities	149,935,966	36,941,758	112,994,208
21. Total Margins & Equities (19 plus 20)	\$ 151,204,219	\$ 36,941,758	\$ 114,262,461
22. Long-Term Debt - Bonds (Net)	305,500,000	217,281,305	88,218,695
23. Long-Term Debt - Other (Net)	52,111,783	37,063,556	15,048,227
24. Total Long-Term Debt (22 plus 23)	\$ 357,611,783	\$ 254,344,861	\$ 103,266,922
25. Notes Payable	8,674,842	6,169,823	2,505,019
26. Accounts Payable	6,879,579	2,019,554	4,860,025
27. Accounts Payable - Due to Distribution	0	0	0
28. Consumer Deposits	2,025,563	0	2,025,563
29. Other Current & Accrued Liabilities	31,848,756	24,468,604	7,380,152
30. Total Current & Accrued Liabilities (25 thru 29)	\$ 49,428,740	\$ 32,657,981	\$ 16,770,759
31. Deferred Credits	2,533,793	251,103	2,282,690
32. Total Liab & Other Credits (21 + 24 + 30 + 31)	\$ 560,778,535	\$ 324,195,703	\$ 236,582,832

Statement of Cash Flows

YTD May 30, 2006

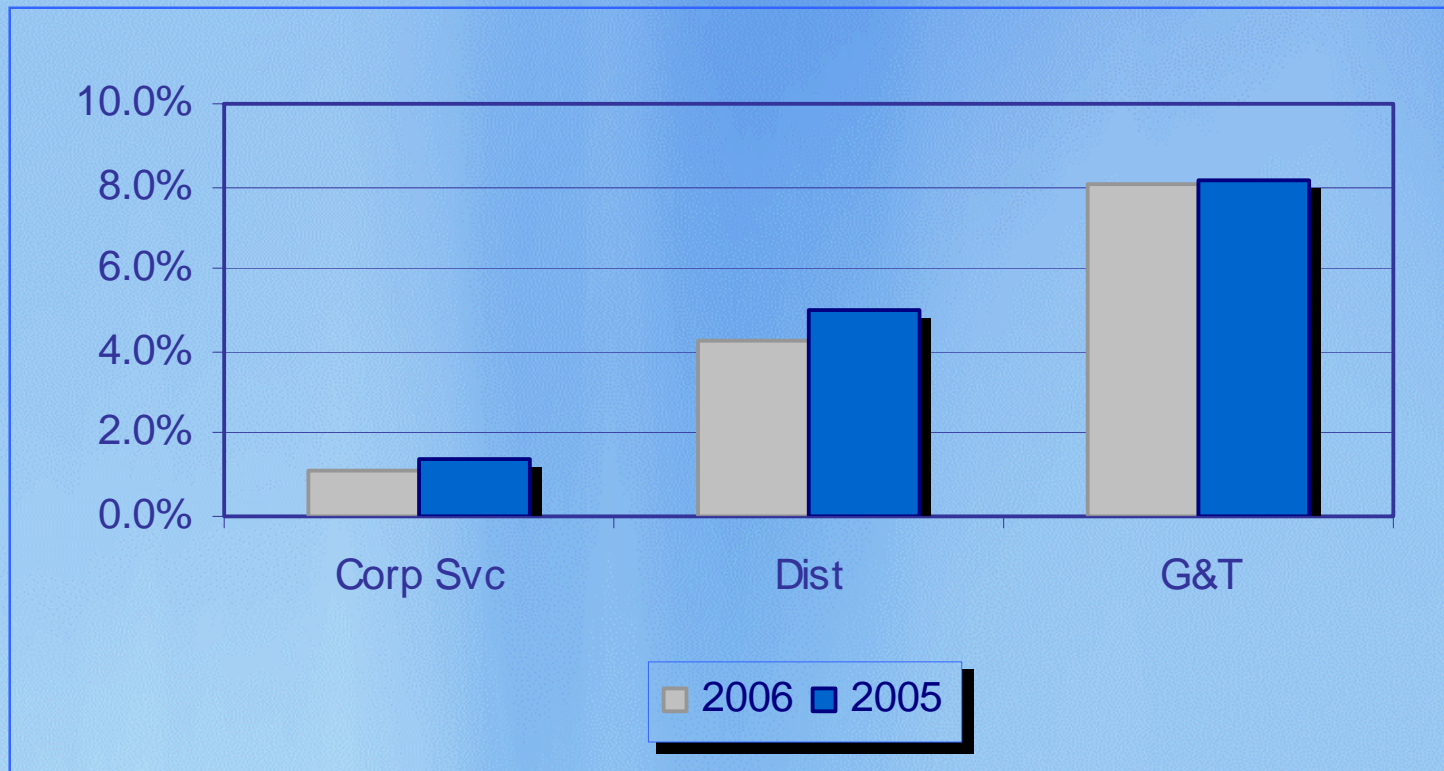
	<u>Total</u>	<u>G&T</u>	<u>Distribution</u>
1. Cash flows from operating activities:			
Assignable margins	\$ 6,630,137	\$ 979,254	\$ 5,650,883
Adjustments to reconcile assignable margins to net cash provided (used) by operating activities:			
Depreciation & amortization	11,819,318	7,581,109	4,238,209
Capitalization of interest	(230,566)	(116,769)	(113,797)
Other	1,072	780	292
Changes in assets and liabilities:			
(Increase) decrease in assets:	5,491,318	1,020,220	4,471,098
Increase (decrease) in liabilities:	(3,950,873)	(3,522,024)	(428,849)
Net cash provided by operating activities:	\$ 19,760,406	\$ 5,942,570	\$ 13,817,836
2. Cash flows from investing activities:			
Extension and replacement of plant	(4,369,278)	(1,268,425)	(3,100,853)
Net cash used for investing activities:	\$ (4,369,278)	\$ (1,268,425)	\$ (3,100,853)
3. Cash flows from financing activities:			
Repayments of long-term obligations	(6,571,161)	(4,673,618)	(1,897,543)
Loan to G&T/from Distribution	0	0	0
Patronage capital / Other	(465,068)	(177,458)	(287,610)
Net cash used for financing activities:	(7,036,229)	(4,851,076)	(2,185,153)
Net increase (decrease) in cash and cash equivalents	8,354,899	(176,931)	8,531,830
4. Cash & cash equivalents at beginning of year	\$ 10,650,594	\$ 477,193	\$ 10,173,401
5. Cash & cash equivalents at end of period	\$ 19,005,493	\$ 300,262	\$ 18,705,231

Unbundled Overtime Dollars

YTD May 2006



Unbundled Overtime as a Percentage of Total Hours YTD May 2006



Questions?