

May 2009
Financial Update

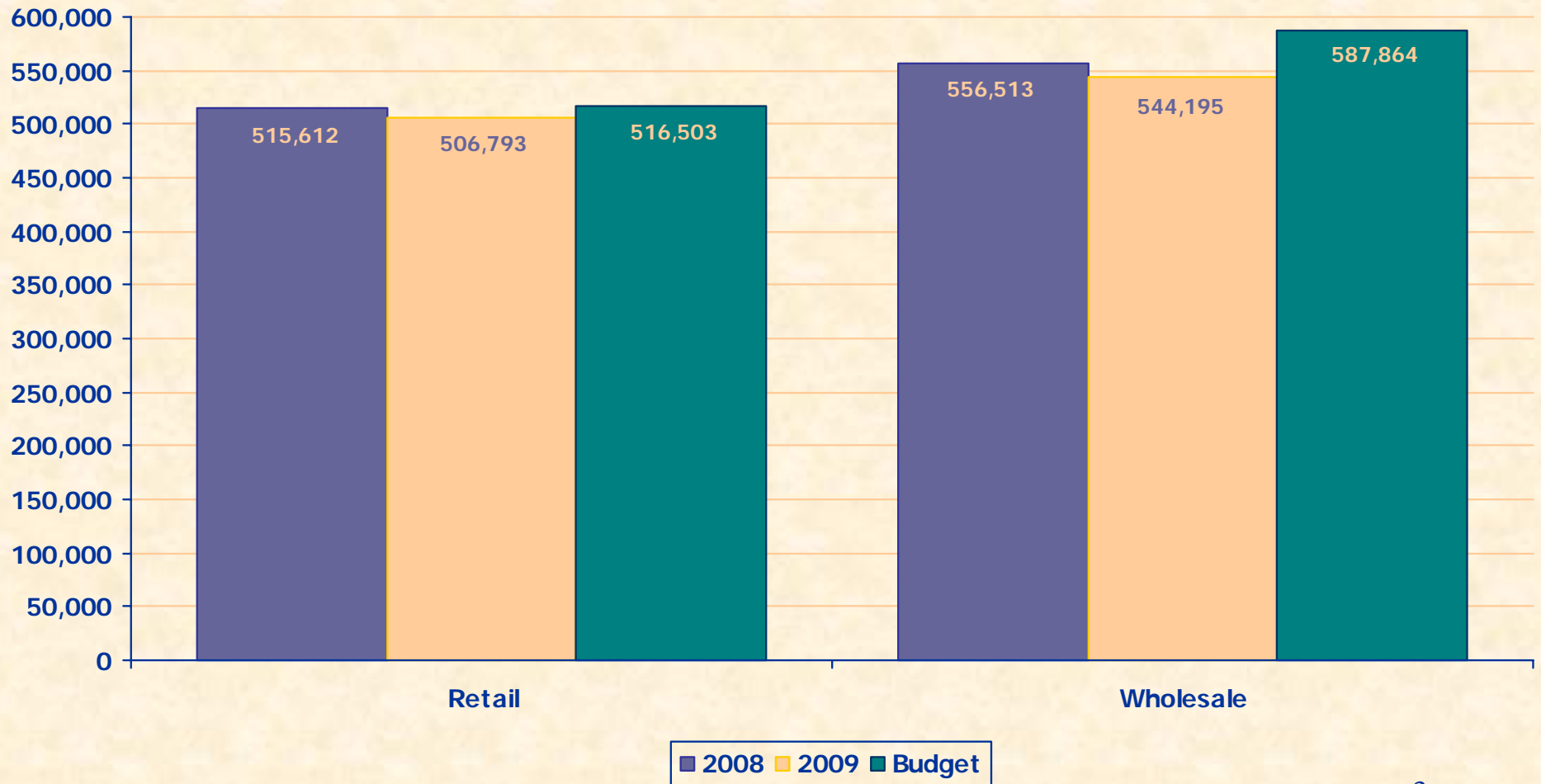
Chugach Electric Association, Inc.

July 08, 2009

May Financial Information

- **MWh Sales**
- **System Statement of Operations**
- **Balance Sheet**
- **Debt Summary**

May YTD MWh Sales



Comparative Statement of Operations

May 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 25,934,425	\$ 23,017,120	\$ (2,917,305)
2. Fuel Expense	13,432,292	10,874,689	(2,557,603)
3. Power Production Expense	1,640,516	1,296,120	(344,396)
4. Purchased Power Expense	3,417,835	3,413,907	(3,928)
5. Transmission Expense	541,746	497,496	(44,250)
6. Distribution Expense	1,078,277	1,105,069	26,792
7. Customer Expense	485,984	501,575	15,591
8. Administrative & General Expense	1,950,412	1,844,421	(105,991)
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 22,547,062	\$ 19,533,277	\$ (3,013,785)
10. Depreciation & Amortization Expense	\$ 2,689,704	\$ 2,675,882	\$ (13,822)
11. Tax Expense - Other	64,973	60,133	(4,840)
12. Interest on LT Debt	1,751,890	1,643,698	(108,192)
13. Interest Charged to Construction - Credit	(85,629)	(46,252)	39,377
14. Interest Expense - Other	121,659	161,163	39,504
15. Other Deductions	20,833	479	(20,354)
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 27,110,492	\$ 24,028,380	\$ (3,082,112)
17. Patronage Capital & Operating Margins	\$ (1,176,067)	\$ (1,011,260)	\$ 164,807
18. Non-Operating Margins - Interest	26,469	26,268	(201)
19. Allowance for Funds Used During Construction	7,164	16,333	9,169
20. Non-Operating Margins - Other	0	0	0
21. Patronage Capital or Margins	\$ (1,142,434)	\$ (968,659)	\$ 173,775
Achieved TIER	0.35	0.41	0.06
Operating Revenue per kWh	\$ 0.1365	\$ 0.1266	\$ (0.0099)
Operating Cost per kWh	\$ 0.1426	\$ 0.1321	\$ (0.0105)

Comparative Statement of Operations

May YTD 2009

	Budget	Actual	Variance
1. Operating Revenue & Patronage Capital	\$ 142,448,754	\$ 129,118,406	\$ (13,330,348)
2. Fuel Expense	74,180,750	61,666,100	(12,514,650)
3. Power Production Expense	6,847,267	6,482,033	(365,234)
4. Purchased Power Expense	17,366,233	17,656,015	289,782
5. Transmission Expense	2,653,481	2,274,343	(379,138)
6. Distribution Expense	5,065,068	5,104,707	39,639
7. Customer Expense	2,308,558	2,163,408	(145,150)
8. Administrative & General Expense	8,915,788	7,936,817	(978,971)
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 117,337,145	\$ 103,283,423	\$ (14,053,722)
10. Depreciation & Amortization Expense	\$ 13,427,663	\$ 13,319,084	\$ (108,579)
11. Tax Expense - Other	354,758	335,534	(19,224)
12. Interest on LT Debt	8,775,221	8,444,249	(330,972)
13. Interest Charged to Construction - Credit	(357,998)	(203,979)	154,019
14. Interest Expense - Other	585,376	540,400	(44,976)
15. Other Deductions	104,165	223,596	119,431
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 140,226,330	\$ 125,942,307	\$ (14,284,023)
17. Patronage Capital & Operating Margins	\$ 2,222,424	\$ 3,176,099	\$ 953,675
18. Non-Operating Margins - Interest	131,111	67,744	(63,367)
19. Allowance for Funds Used During Construction	29,950	59,839	29,889
20. Non-Operating Margins - Other	0	1,275	1,275
21. Patronage Capital or Margins	\$ 2,383,485	\$ 3,304,957	\$ 921,472
Achieved TIER	1.27	1.39	0.12
Operating Revenue per kWh	\$ 0.1327	\$ 0.1229	\$ (0.0098)
Operating Cost per kWh	\$ 0.1307	\$ 0.1199	\$ (0.0108)

System Statement of Operations

May YTD 2009

	Total	Generation	Transmission	Distribution
1. Operating Revenue & Patronage Capital	\$ 129,118,406	\$98,308,927	\$9,778,823	\$21,030,656
2. Fuel Expense	61,666,100	61,666,100	0	0
3. Power Production Expense	6,482,033	6,481,903	130	0
4. Purchased Power Expense	17,656,015	17,656,015	0	0
5. Transmission Expense	2,274,343	0	2,274,343	0
6. Distribution Expense	5,104,707	0	0	5,104,707
7. Customer Expense	2,163,408	0	0	2,163,408
8. Administrative & General Expense	7,936,817	2,963,614	1,097,994	3,875,209
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 103,283,423	\$88,767,632	\$3,372,467	\$11,143,324
10. Depreciation & Amortization Expense	\$ 13,319,084	\$6,399,643	\$2,428,513	\$4,490,928
11. Tax Expense - Other	335,534	29,622	11,315	294,597
12. Interest on LT Debt	8,444,249	3,039,930	2,741,003	2,663,316
13. Interest Charged to Construction - Credit	(203,979)	(92,518)	(36,423)	(75,038)
14. Interest Expense - Other	540,400	245,975	94,137	200,288
15. Other Deductions	223,596	0	173,631	49,965
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 125,942,307	\$98,390,284	\$8,784,643	\$18,767,380
17. Patronage Capital & Operating Margins	\$ 3,176,099	\$ (81,357)	\$ 994,180	\$2,263,276
18. Non-Operating Margins - Interest	67,744	0	0	67,744
19. Allowance for Funds Used During Construction	59,839	27,219	10,834	21,786
20. Non-Operating Margins - Other	1,275	459	176	640
21. Patronage Capital or Margins	\$ 3,304,957	\$ (53,679)	\$ 1,005,190	\$2,353,446
Achieved TIER	1.39	0.98	1.37	1.88
Operating Revenue per kWh	\$ 0.1229	\$ 0.0936	\$ 0.0093	\$ 0.0415
Operating Cost per kWh	\$ 0.1199	\$ 0.0936	\$ 0.0084	\$ 0.0370

Comparative Balance Sheet

May 2008 & 2009

	<u>May 2008</u>	<u>May 2009</u>	<u>Change</u>
1. Total Utility Plant In Service	\$ 812,097,841	\$ 830,404,296	\$ 18,306,455
2. Construction Work In Progress	16,610,591	22,686,394	6,075,803
3. Total Utility Plant (1 plus 2)	\$ 828,708,432	\$ 853,090,690	\$ 24,382,258
4. Accum. Provision for Depreciation and Amort.	(378,785,242)	(403,291,412)	(24,506,170)
5. Net Utility Plant (3 minus 4)	\$ 449,923,190	\$ 449,799,278	\$ (123,912)
6. Nonutility Property - Net	24,461	24,461	0
7. Investment in Associated Organizations	11,993,216	12,177,447	184,231
8. Special Funds	663,334	259,921	(403,413)
9. Total Other Property & Investments (6 thru 8)	\$ 12,681,011	\$ 12,461,829	\$ (219,182)
10. Cash & Temporary Investments	2,859,090	4,172,628	1,313,538
11. Special Deposits	125,117	124,140	(977)
12. Accounts Receivable - Net	28,209,738	31,187,532	2,977,794
13. Materials and Supplies	31,053,801	30,457,851	(595,950)
14. Prepayments	1,422,577	1,598,022	175,445
15. Other Current & Accrued Assets	3,039,364	160,000	(2,879,364)
16. Total Current & Accrued Assets (10 thru 15)	\$ 66,709,687	\$ 67,700,173	\$ 990,486
17. Deferred Debits	20,958,099	23,467,623	2,509,524
18. Total Assets & Other Debits (5 + 9 + 16 + 17)	\$ 550,271,987	\$ 553,428,903	\$ 3,156,916

Comparative Balance Sheet

May 2008 & 2009

	<u>May 2008</u>	<u>May 2009</u>	<u>Change</u>
19. Memberships	\$ 1,361,448	\$ 1,405,163	\$ 43,715
20. Patronage Capital & Margins & Equities	152,565,633	155,583,857	3,018,224
21. Total Margins & Equities (19 plus 20)	\$ 153,927,081	\$ 156,989,020	\$ 3,061,939
22. Long-Term Debt - Bonds (Net)	270,000,000	270,000,000	0
23. Long-Term Debt - Other (Net)	43,908,056	39,408,240	(4,499,816)
24. Total Long-Term Debt (22 plus 23)	\$ 313,908,056	\$ 309,408,240	\$ (4,499,816)
25. Notes Payable	38,009,770	41,865,349	3,855,579
26. Accounts Payable	5,239,706	4,257,545	(982,161)
27. Consumer Deposits	2,417,398	2,403,221	(14,177)
28. Other Current & Accrued Liabilities	34,796,342	36,967,918	2,171,576
29. Total Current & Accrued Liabilities (25 thru 28)	\$ 80,463,216	\$ 85,494,033	\$ 5,030,817
30. Deferred Credits	1,310,300	1,277,689	(32,611)
31. Misc Operating Reserves	663,334	259,921	(403,413)
32. Total Liab & Other Credits (21 + 24 + 29 + 30 + 31)	\$ 550,271,987	\$ 553,428,903	\$ 3,156,916
Equity Ratio	32.90%	33.66%	

Debt Summary

May 2009

	<u>12/31/08</u>	<u>Draws</u>	<u>Payments</u>	<u>05/31/09</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
CFC Promissory Notes Payable	42,963,659	5,500,000	40,500,000	0
CoBank Bond 2	3,500,000	0	833,333	2,666,667
CoBank Bond 3	18,376,673	0	699,160	17,677,513
CoBank Bond 4	20,086,132	0	0	20,086,132
CoBank Bond 5	3,860,694	0	382,417	3,478,277
Total Long-Term Debt	\$ <u>358,787,158</u>	\$ <u>5,500,000</u>	\$ <u>42,414,910</u>	\$ <u>313,908,589</u>
Short-Term Debt				
CFC Promissory Notes Payable	0	0	7,963,659	0
CoBank Line of Credit	7,500,000	1,000,000	8,500,000	0
Commercial Paper	0	58,503,000	22,998,000	35,505,000
Total Short-Term Debt	\$ <u>7,500,000</u>	\$ <u>59,503,000</u>	\$ <u>39,461,659</u>	\$ <u>35,505,000</u>
Total Debt	\$ <u>366,287,158</u>	\$ <u>65,003,000</u>	\$ <u>81,876,569</u>	\$ <u>349,413,589</u>

*CFC Promissory Notes Payable was reclassified from Long-Term Debt to Short-Term Debt in January 2009.

Questions?