

May 2008  
Unbundled Financials

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Chugach Electric Association, Inc.

Finance Committee

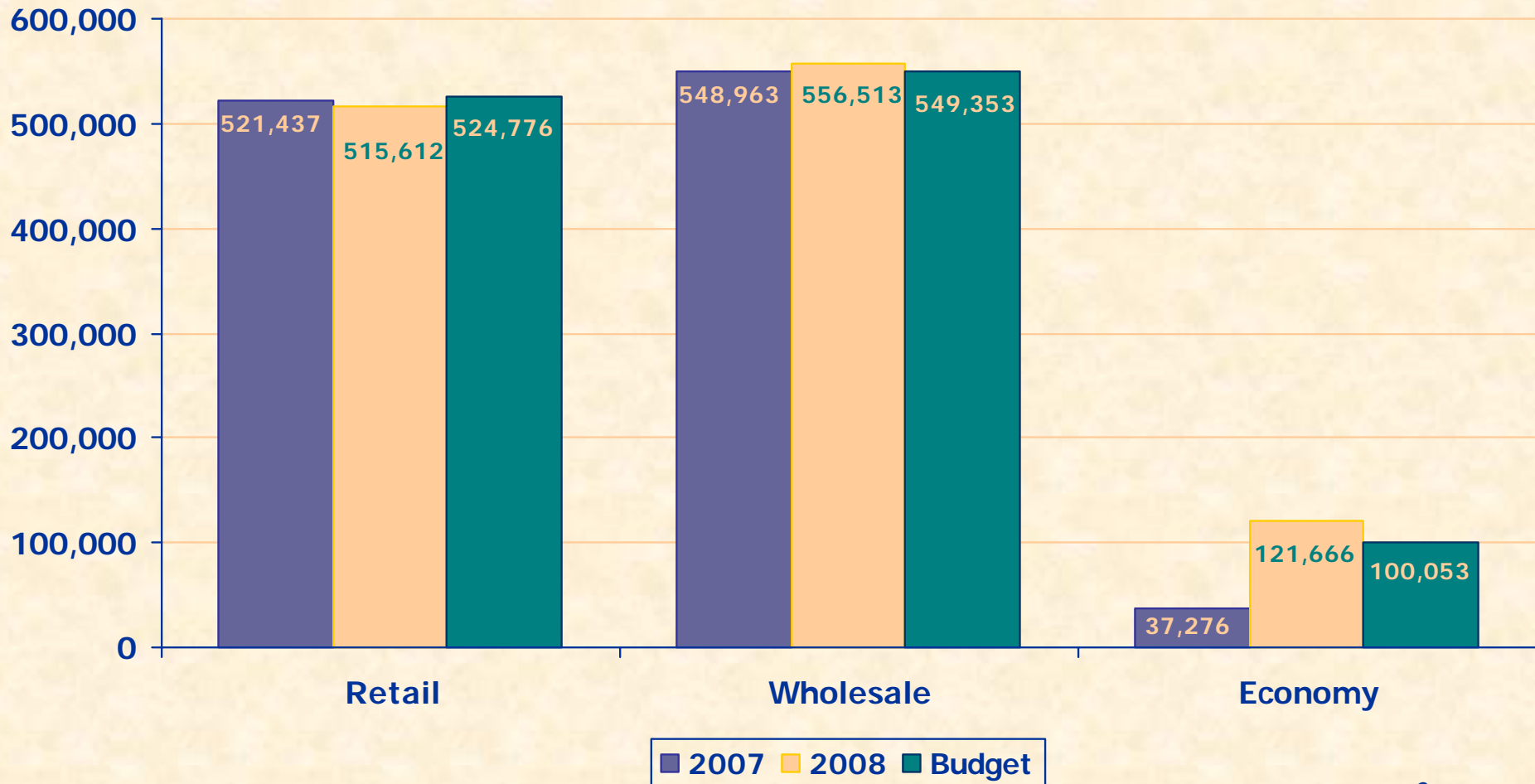
July 9, 2008

# May Financial Information

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# May YTD MWh Sales



# 2008 Year-End Forecast

	2008 YTD Actuals	2008 YTD Budget	2008 Revised Forecast	
<b>1. Operating Revenue &amp; Patronage Capital</b>	\$ 114,019,006	\$ 112,945,368	\$ 272,268,361	<sup>1&amp;2</sup>
2. Fuel Expense	50,360,412	49,020,576	122,207,882	
3. Power Production Expense	6,535,541	7,188,772	16,445,185	
4. Purchased Power Expense	13,023,073	12,748,882	31,393,574	<sup>1</sup>
5. Transmission Expense	2,445,606	2,843,661	6,483,569	
6. Distribution Expense	4,819,349	4,889,577	11,726,124	
7. Customer Expense	2,210,695	2,402,134	5,740,544	
8. Administrative & General Expense	8,088,940	7,788,735	17,690,176	
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 87,483,616</b>	<b>\$ 86,882,337</b>	<b>\$ 211,687,054</b>	
10. Depreciation & Amortization Expense	\$ 12,317,390	\$ 12,409,382	\$ 31,314,640	<sup>2</sup>
11. Tax Expense - Other	349,449	385,603	848,708	<sup>1</sup>
12. Interest on LT Debt	9,153,126	9,679,895	21,591,288	<sup>2</sup>
13. Interest Charged to Construction - Credit	(174,322)	(421,902)	(809,715)	<sup>2</sup>
14. Interest Expense - Other	270,753	0	1,169,628	<sup>1&amp;2</sup>
15. Other Deductions	48,726	104,165	194,561	<sup>1</sup>
<b>15. TOTAL Cost of Electric Service (10 thru 15)</b>	<b>\$ 109,448,738</b>	<b>\$ 109,039,480</b>	<b>\$ 265,996,164</b>	
<b>16. Patronage Capital &amp; Operating Margins</b>	<b>\$ 4,570,268</b>	<b>\$ 3,905,888</b>	<b>\$ 6,272,197</b>	
17. Non-Operating Margins - Interest	179,426	189,099	382,590	<sup>1</sup>
18. Allowance for Funds Used During Construction	46,367	182,369	218,187	
19. Non-Operating Margins - Other	(159)	0	524,841	
<b>20. Patronage Capital or Margins</b>	<b>\$ 4,795,902</b>	<b>\$ 4,277,356</b>	<b>\$ 7,397,815</b>	
<b>TIER</b>	<b>1.52</b>	<b>1.44</b>	<b>1.34</b>	

<sup>1</sup>Forecast based on 5 months actual and 7 months budget

<sup>2</sup>Forecast has been adjusted to reflect current assumption changes

# System Statement of Operations

## May YTD 2008

	Total	Generation	Transmission	Distribution
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 114,019,006</b>	<b>\$ 79,913,331</b>	<b>\$ 10,876,906</b>	<b>\$ 23,228,769</b>
2. Fuel Expense	50,360,412	50,360,412	0	0
3. Power Production Expense	6,535,541	6,534,835	706	0
4. Purchased Power Expense	13,023,073	13,023,073	0	0
5. Transmission Expense	2,445,606	0	2,445,606	0
6. Distribution Expense	4,819,349	0	0	4,819,349
7. Customer Expense	2,210,695	0	0	2,210,695
8. Administrative & General Expense	8,088,940	2,831,919	1,088,533	4,168,488
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 87,483,616</b>	<b>\$ 72,750,239</b>	<b>\$ 3,534,845</b>	<b>\$ 11,198,532</b>
10. Depreciation & Amortization Expense	\$ 12,317,390	\$ 5,328,669	\$ 2,351,137	\$ 4,637,584
11. Tax Expense - Other	349,449	31,348	12,766	305,335
12. Interest on LT Debt	9,153,126	3,195,356	3,334,484	2,623,286
13. Interest Charged to Construction - Credit	(174,322)	(48,781)	(55,611)	(69,930)
14. Interest Expense - Other	270,753	83,472	88,498	98,783
15. Other Deductions	48,726	(0)	(14,925)	63,651
<b>15. TOTAL Cost of Electric Service (10 thru 15)</b>	<b>\$ 109,448,738</b>	<b>\$ 81,340,303</b>	<b>\$ 9,251,194</b>	<b>\$ 18,857,241</b>
<b>16. Patronage Capital &amp; Operating Margins</b>	<b>\$ 4,570,268</b>	<b>\$ (1,426,972)</b>	<b>\$ 1,625,712</b>	<b>\$ 4,371,528</b>
17. Non-Operating Margins - Interest	179,426	0	0	179,426
18. Allowance for Funds Used During Construction	46,367	12,719	14,753	18,895
19. Non-Operating Margins - Other	(159)	(55)	(58)	(46)
<b>20. Patronage Capital or Margins</b>	<b>\$ 4,795,902</b>	<b>\$ (1,414,308)</b>	<b>\$ 1,640,407</b>	<b>\$ 4,569,803</b>
<b>Achieved TIER</b>	<b>1.52</b>	<b>0.56</b>	<b>1.49</b>	<b>2.74</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.1063</b>	<b>\$ 0.0745</b>	<b>\$ 0.0101</b>	<b>\$ 0.0451</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.1021</b>	<b>\$ 0.0759</b>	<b>\$ 0.0086</b>	<b>\$ 0.0366</b>

# Generation Statement of Operations

## May YTD 2008

	Budget	Actual	Variance
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 79,162,530</b>	<b>\$ 79,913,331</b>	<b>\$ 750,801</b>
2. Fuel Expense	49,020,576	50,360,412	1,339,836
3. Power Production Expense	7,188,772	6,534,835	(653,937)
4. Purchased Power Expense	12,748,882	13,023,073	274,191
5. Transmission Expense	0	0	0
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	2,775,895	2,831,919	56,024
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 71,734,125</b>	<b>\$ 72,750,239</b>	<b>\$ 1,016,114</b>
10. Depreciation & Amortization Expense	5,541,724	5,328,669	(213,055)
11. Tax Expense - Other	41,979	31,348	(10,631)
12. Interest on LT Debt	3,427,484	3,195,356	(232,128)
13. Interest Charged to Construction - Credit	(71,850)	(48,781)	23,069
14. Interest Expense - Other	0	83,472	83,472
15. Other Deductions	35,488	(0)	(35,488)
<b>15. TOTAL Cost of Electric Service (10 thru 15)</b>	<b>\$ 80,708,950</b>	<b>\$ 81,340,303</b>	<b>\$ 631,353</b>
<b>16. Patronage Capital &amp; Operating Margins</b>	<b>\$ (1,546,420)</b>	<b>\$ (1,426,972)</b>	<b>\$ 119,448</b>
17. Non-Operating Margins - Interest	0	0	0
18. Allowance for Funds Used During Construction	31,057	12,719	(18,338)
19. Non-Operating Margins - Other	0	(55)	(55)
<b>20. Patronage Capital or Margins</b>	<b>\$ (1,515,363)</b>	<b>\$ (1,414,308)</b>	<b>\$ 101,055</b>
<b>Achieved TIER</b>	<b>0.56</b>	<b>0.56</b>	<b>(0.00)</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.0737</b>	<b>\$ 0.0745</b>	<b>\$ 0.0008</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.0751</b>	<b>\$ 0.0759</b>	<b>\$ 0.0008</b>

# Transmission Statement of Operations

## May YTD 2008

	Budget	Actual	Variance
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 10,773,236</b>	<b>\$ 10,876,906</b>	<b>\$ 103,670</b>
2. Fuel Expense	0	0	0
3. Power Production Expense	0	706	706
4. Purchased Power Expense	0	0	0
5. Transmission Expense	2,843,661	2,445,606	(398,055)
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	1,100,947	1,088,533	(12,414)
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 3,944,608</b>	<b>\$ 3,534,845</b>	<b>\$ (409,763)</b>
10. Depreciation & Amortization Expense	2,498,483	2,351,137	(147,346)
11. Tax Expense - Other	17,164	12,766	(4,398)
12. Interest on LT Debt	3,494,899	3,334,484	(160,415)
13. Interest Charged to Construction - Credit	(134,418)	(55,611)	78,807
14. Interest Expense - Other	0	88,498	88,498
15. Other Deductions	14,511	(14,925)	(29,436)
<b>15. TOTAL Cost of Electric Service (10 thru 15)</b>	<b>\$ 9,835,247</b>	<b>\$ 9,251,194</b>	<b>\$ (584,053)</b>
<b>16. Patronage Capital &amp; Operating Margins</b>	<b>\$ 937,989</b>	<b>\$ 1,625,712</b>	<b>\$ 687,723</b>
17. Non-Operating Margins - Interest	0	0	0
18. Allowance for Funds Used During Construction	58,103	14,753	(43,350)
19. Non-Operating Margins - Other	0	(58)	(58)
<b>20. Patronage Capital or Margins</b>	<b>\$ 996,092</b>	<b>\$ 1,640,407</b>	<b>\$ 644,315</b>
<b>Achieved TIER</b>	<b>1.29</b>	<b>1.49</b>	<b>0.21</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.1000</b>	<b>\$ 0.0101</b>	<b>\$ (0.0899)</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.0092</b>	<b>\$ 0.0086</b>	<b>\$ (0.0006)</b>

# Distribution Statement of Operations

## May YTD 2008

	Budget	Actual	Variance
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 23,009,602</b>	<b>\$ 23,228,769</b>	<b>\$ 219,167</b>
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	4,889,577	4,819,349	(70,228)
7. Customer Expense	2,402,134	2,210,695	(191,439)
8. Administrative & General Expense	3,911,893	4,168,488	256,595
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 11,203,604</b>	<b>\$ 11,198,532</b>	<b>\$ (5,072)</b>
10. Depreciation & Amortization Expense	4,369,175	4,637,584	268,409
11. Tax Expense - Other	326,460	305,335	(21,125)
12. Interest on LT Debt	2,757,512	2,623,286	(134,226)
13. Interest Charged to Construction - Credit	(215,634)	(69,930)	145,704
14. Interest Expense - Other	0	98,783	98,783
15. Other Deductions	54,166	63,651	9,485
<b>15. TOTAL Cost of Electric Service (10 thru 15)</b>	<b>\$ 18,495,283</b>	<b>\$ 18,857,241</b>	<b>\$ 361,958</b>
<b>16. Patronage Capital &amp; Operating Margins</b>	<b>\$ 4,514,319</b>	<b>\$ 4,371,528</b>	<b>\$ (142,791)</b>
17. Non-Operating Margins - Interest	189,099	179,426	(9,673)
18. Allowance for Funds Used During Construction	93,209	18,895	(74,314)
19. Non-Operating Margins - Other	0	(46)	(46)
<b>20. Patronage Capital or Margins</b>	<b>\$ 4,796,627</b>	<b>\$ 4,569,803</b>	<b>\$ (226,824)</b>
<b>Achieved TIER</b>	<b>2.74</b>	<b>2.74</b>	<b>0.00</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.0438</b>	<b>\$ 0.0451</b>	<b>\$ 0.0013</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.0352</b>	<b>\$ 0.0366</b>	<b>\$ 0.0014</b>

# Balance Sheet, Assets & Other Debits

## May 2008

	<u>Total</u>	<u>G &amp; T</u>	<u>Distribution</u>
1. Total Utility Plant In Service	\$ 812,097,841	\$ 475,127,767	\$ 336,970,074
2. Construction Work In Progress	16,610,591	10,577,703	6,032,888
<b>3. Total Utility Plant (1 plus 2)</b>	<b>\$ 828,708,432</b>	<b>\$ 485,705,470</b>	<b>\$ 343,002,962</b>
4. Accum. Provision for Depreciation and Amort.	(378,785,242)	(245,897,418)	(132,887,824)
<b>5. Net Utility Plant (3 minus 4)</b>	<b>\$ 449,923,190</b>	<b>\$ 239,808,052</b>	<b>\$ 210,115,138</b>
6. Nonutility Property - Net	24,461	0	24,461
7. Investment in Associated Organizations	11,993,216	8,560,528	3,432,688
8. Special Funds	663,334	319,289	344,045
<b>9. Total Other Property &amp; Investments (6 thru 8)</b>	<b>\$ 12,681,011</b>	<b>\$ 8,879,817</b>	<b>\$ 3,801,194</b>
10. Cash & Temporary Investments	2,859,090	0	2,859,090
11. Special Deposits	125,117	48,035	77,082
12. Accounts Receivable - Net	28,209,738	21,690,436	6,519,302
13. Temporary Intracompany Non-Interest Bearing Balance	9,862,160	0	9,862,160
14. Materials and Supplies	31,053,801	23,239,876	7,813,925
15. Prepayments	1,422,577	696,193	726,384
16. Other Current & Accrued Assets	3,039,364	2,941,053	98,311
<b>17. Total Current &amp; Accrued Assets (10 thru 16)</b>	<b>\$ 76,571,847</b>	<b>\$ 48,615,593</b>	<b>\$ 27,956,254</b>
18. Deferred Debits	20,958,099	19,074,151	1,883,948
<b>19. Total Assets &amp; Other Debits (5 + 9 + 17 + 18)</b>	<b>\$ 560,134,147</b>	<b>\$ 316,377,613</b>	<b>\$ 243,756,534</b>

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

# Balance Sheet, Liabilities & Other Credits

## May 2008

	<u>Total</u>	<u>G &amp; T</u>	<u>Distribution</u>
20. Memberships	\$ 1,361,448	\$ 0	\$ 1,361,448
21. Patronage Capital & Margins & Equities	152,565,633	24,911,905	127,653,728
<b>22. Total Margins &amp; Equities (20 plus 21)</b>	<b>\$ 153,927,081</b>	<b>\$ 24,911,905</b>	<b>\$ 129,015,176</b>
23. Long-Term Debt - Bonds (Net)	270,000,000	192,618,000	77,382,000
24. Long-Term Debt - Other (Net)	43,908,056	31,324,007	12,584,049
<b>25. Total Long-Term Debt (23 plus 24)</b>	<b>\$ 313,908,056</b>	<b>\$ 223,942,007</b>	<b>\$ 89,966,049</b>
26. Notes Payable	38,009,770	27,116,170	10,893,600
27. Accounts Payable	5,239,706	2,670,519	2,569,187
28. Temporary Intracompany Non-Interest Bearing Balance	9,862,160	9,862,160	0
29. Consumer Deposits	2,417,398	0	2,417,398
30. Other Current & Accrued Liabilities	34,796,343	27,264,618	7,531,725
<b>31. Total Current &amp; Accrued Liabilities (26 thru 30)</b>	<b>\$ 90,325,377</b>	<b>\$ 66,913,467</b>	<b>\$ 23,411,910</b>
32. Deferred Credits	1,310,300	290,945	1,019,355
33. Misc Operating Reserves	663,334	319,289	344,045
<b>34. Total Liab &amp; Other Credits (22 + 25 + 31 + 32 + 33)</b>	<b>\$ 560,134,148</b>	<b>\$ 316,377,613</b>	<b>\$ 243,756,535</b>
<b>Equity Ratio</b>	<b>32.90%</b>	<b>10.01%</b>	<b>58.92%</b>

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

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**Questions?**