

June 2006

# Unbundled Financial Statements

Chugach Electric Association, Inc.

July 26, 2006

# June Financial Information

- MWh Sales
- System Statement of Operations
- G&T Statement of Operations
- Distribution Statement of Operations
- Balance Sheet
- Statement of Cash Flows
- Overtime Information

# MWh Sales June 2006



# MWh Sales YTD June 2006



# System Statement of Operations

## YTD June 2006

	<u>Total</u>	<u>G &amp; T</u>	<u>Distribution</u>
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 127,134,140</b>	<b>\$ 99,818,420</b>	<b>\$ 27,315,720</b>
2. Fuel Expense	55,148,493	55,148,493	0
3. Power Production Expense	6,671,084	6,671,084	0
4. Purchased Power Expense	13,456,084	13,456,084	0
5. Transmission Expense	2,533,682	2,533,682	0
6. Distribution Expense - Operations	2,466,924	0	2,466,924
7. Distribution Expense - Maintenance	3,257,741	0	3,257,741
8. Consumer Accounts Expense	2,241,643	0	2,241,643
9. Customer Service & Informational Expense	293,357	0	293,357
10. Administrative & General Expense	8,858,684	4,286,888	4,571,796
<b>11. Total Ops &amp; Maint Expense (2 thru 10)</b>	<b>\$ 94,927,692</b>	<b>\$ 82,096,231</b>	<b>\$ 12,831,461</b>
12. Depreciation & Amortization Expense	\$ 14,209,768	\$ 9,113,652	\$ 5,096,116
13. Tax Expense - Other	429,021	59,300	369,721
14. Interest on LT Debt	12,130,422	8,631,944	3,498,478
15. Interest Charged to Construction - Credit	(198,983)	(95,717)	(103,266)
16. Interest Expense - Other	0	0	0
17. Other Deductions	206,981	182,293	24,688
<b>18. Total Cost of Electric Service (11 thru 17)</b>	<b>\$ 121,704,901</b>	<b>\$ 99,987,703</b>	<b>\$ 21,717,198</b>
<b>19. Patronage Capital &amp; Operating Margins</b>	<b>\$ 5,429,239</b>	<b>\$ (169,283)</b>	<b>\$ 5,598,522</b>
20. Non-Operating Margins - Interest	412,234	0	412,234
21. Allowance for Funds Used During Construction	74,439	35,534	38,905
22. Non-Operating Margins - Other	(12,756)	(12,030)	(726)
23. Generation & Transmission Capital Credits	0	0	0
24. Other Capital Credits & Patronage Dividends	(56)	(40)	(16)
25. Extraordinary Items	0	0	0
<b>26. Patronage Capital or Margins</b>	<b>\$ 5,903,100</b>	<b>\$ (145,819)</b>	<b>\$ 6,048,919</b>
<b>Achieved TIER</b>	<b>1.49</b>	<b>0.98</b>	<b>2.73</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.10</b>	<b>\$ 0.08</b>	<b>\$ 0.04</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.10</b>	<b>\$ 0.08</b>	<b>\$ 0.04</b>

# G&T Statement of Operations

## YTD June 2006

	Budget	Actual	Variance
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 103,570,947</b>	<b>\$ 99,818,420</b>	<b>\$ (3,752,527)</b>
2. Fuel Expense	57,905,053	55,148,493	(2,756,560)
3. Power Production Expense	7,471,039	6,671,084	(799,955)
4. Purchased Power Expense	13,795,806	13,456,084	(339,722)
5. Transmission Expense	3,068,042	2,533,682	(534,360)
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	4,355,008	4,286,888	(68,120)
<b>11. Total Ops &amp; Maint Expense (2 thru 10)</b>	<b>\$ 86,594,948</b>	<b>\$ 82,096,231</b>	<b>\$ (4,498,717)</b>
12. Depreciation & Amortization Expense	9,110,116	9,113,652	3,536
13. Tax Expense - Other	51,474	59,300	7,826
14. Interest on LT Debt	8,328,119	8,631,944	303,825
15. Interest Charged to Construction - Credit	(151,079)	(95,717)	55,362
16. Interest Expense - Other	0	0	0
17. Other Deductions	72,093	182,293	110,200
<b>18. Total Cost of Electric Service (11 thru 17)</b>	<b>\$ 104,005,671</b>	<b>\$ 99,987,703</b>	<b>\$ (4,017,968)</b>
<b>19. Patronage Capital &amp; Operating Margins</b>	<b>\$ (434,724)</b>	<b>\$ (169,283)</b>	<b>\$ 265,441</b>
20. Non-Operating Margins - Interest	0	0	0
21. Allowance for Funds Used During Construction	26,662	35,534	8,872
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
<b>26. Patronage Capital or Margins</b>	<b>\$ (408,062)</b>	<b>\$ (145,819)</b>	<b>\$ 262,243</b>
<b>Achieved TIER</b>	<b>0.95</b>	<b>0.98</b>	<b>0.03</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.08</b>	<b>\$ 0.08</b>	<b>\$ 0.00</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.08</b>	<b>\$ 0.08</b>	<b>\$ 0.00</b>

# Dist Statement of Operations

## YTD June 2006

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 28,173,711</b>	<b>\$ 27,315,720</b>	<b>\$ (857,991)</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 - Operations	2,262,645	2,466,924	204,279
7. Distribution Expense - Maintenance	3,433,427	3,257,741	(175,686)
8. Consumer Accounts Expense	2,281,638	2,241,643	(39,995)
9. Customer Service & Informational Expense	348,540	293,357	(55,183)
10. Administrative & General Expense	4,768,219	4,571,796	(196,423)
<b>11. Total Ops &amp; Maint Expense (2 thru 10)</b>	<b>\$ 13,094,469</b>	<b>\$ 12,831,461</b>	<b>\$ (263,008)</b>
12. Depreciation & Amortization Expense	\$ 5,089,539	\$ 5,096,116	\$ 6,577
13. Tax Expense - Other	368,240	369,721	1,481
14. Interest on LT Debt	3,381,311	3,498,478	117,167
15. Interest Charged to Construction - Credit	(97,181)	(103,266)	(6,085)
16. Interest Expense - Other	0	0	0
17. Other Deductions	77,907	24,688	(53,219)
<b>18. Total Cost of Electric Service (11 thru 17)</b>	<b>\$ 21,914,285</b>	<b>\$ 21,717,198</b>	<b>\$ (197,087)</b>
<b>19. Patronage Capital &amp; Operating Margins</b>	<b>\$ 6,259,426</b>	<b>\$ 5,598,522</b>	<b>\$ (660,904)</b>
20. Non-Operating Margins - Interest	214,935	412,234	197,299
21. Allowance for Funds Used During Construction	17,150	38,905	21,755
22. Non-Operating Margins - Other	0	(726)	(726)
23. Generation & Transmission Capital Credits	0	0	0
24. Other Capital Credits & Patronage Dividends	0	(16)	(16)
25. Extraordinary Items	0	0	0
<b>26. Patronage Capital or Margins</b>	<b>\$ 6,491,511</b>	<b>\$ 6,048,919</b>	<b>\$ (442,592)</b>
<b>Achieved TIER</b>	<b>2.92</b>	<b>2.73</b>	<b>(0.19)</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.05</b>	<b>\$ 0.04</b>	<b>(0.01)</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.04</b>	<b>\$ 0.04</b>	<b>0.00</b>

# Unbundled Balance Sheet

## Assets & Other Debits

### As of June 30, 2006

	<u>Total</u>	<u>G &amp; T</u>	<u>Distribution</u>
1. Total Utility Plant In Service	\$ 783,417,179	\$ 475,449,415	\$ 307,967,764
2. Construction Work In Progress	16,685,363	5,638,147	11,047,216
<b>3. Total Utility Plant (1 plus 2)</b>	<b>\$ 800,102,542</b>	<b>\$ 481,087,562</b>	<b>\$ 319,014,980</b>
4. Accum. Provision for Depreciation and Amort.	(339,803,608)	(222,614,732)	(117,188,876)
<b>5. Net Utility Plant (3 minus 4)</b>	<b>\$ 460,298,934</b>	<b>\$ 258,472,830</b>	<b>\$ 201,826,104</b>
6. Nonutility Property - Net	24,461	0	24,461
7. Investment in Associated Organizations	11,881,980	8,484,380	3,397,600
<b>8. Total Other Property &amp; Investments (6 plus 7)</b>	<b>\$ 11,906,441</b>	<b>\$ 8,484,380</b>	<b>\$ 3,422,061</b>
9. Cash & Temporary Investments	19,202,023	606,436	18,595,587
10. Special Deposits	216,190	75,357	140,833
11. Accounts Receivable - Net	22,052,854	16,436,408	5,616,446
12. Materials and Supplies	27,851,543	24,144,295	3,707,248
13. Prepayments	1,047,039	512,783	534,256
14. Other Current & Accrued Assets	853,142	709,782	143,360
<b>15. Total Current &amp; Accrued Assets (9 thru 14)</b>	<b>\$ 71,222,791</b>	<b>\$ 42,485,061</b>	<b>\$ 28,737,730</b>
16. Deferred Debits	18,010,327	15,431,772	2,578,555
<b>17. Total Assets &amp; Other Debits (5 + 8 + 15 + 16)</b>	<b>\$ 561,438,493</b>	<b>\$ 324,874,043</b>	<b>\$ 236,564,450</b>

# Unbundled Balance Sheet

## Liabilities & Other Credits

### As of June 30, 2006

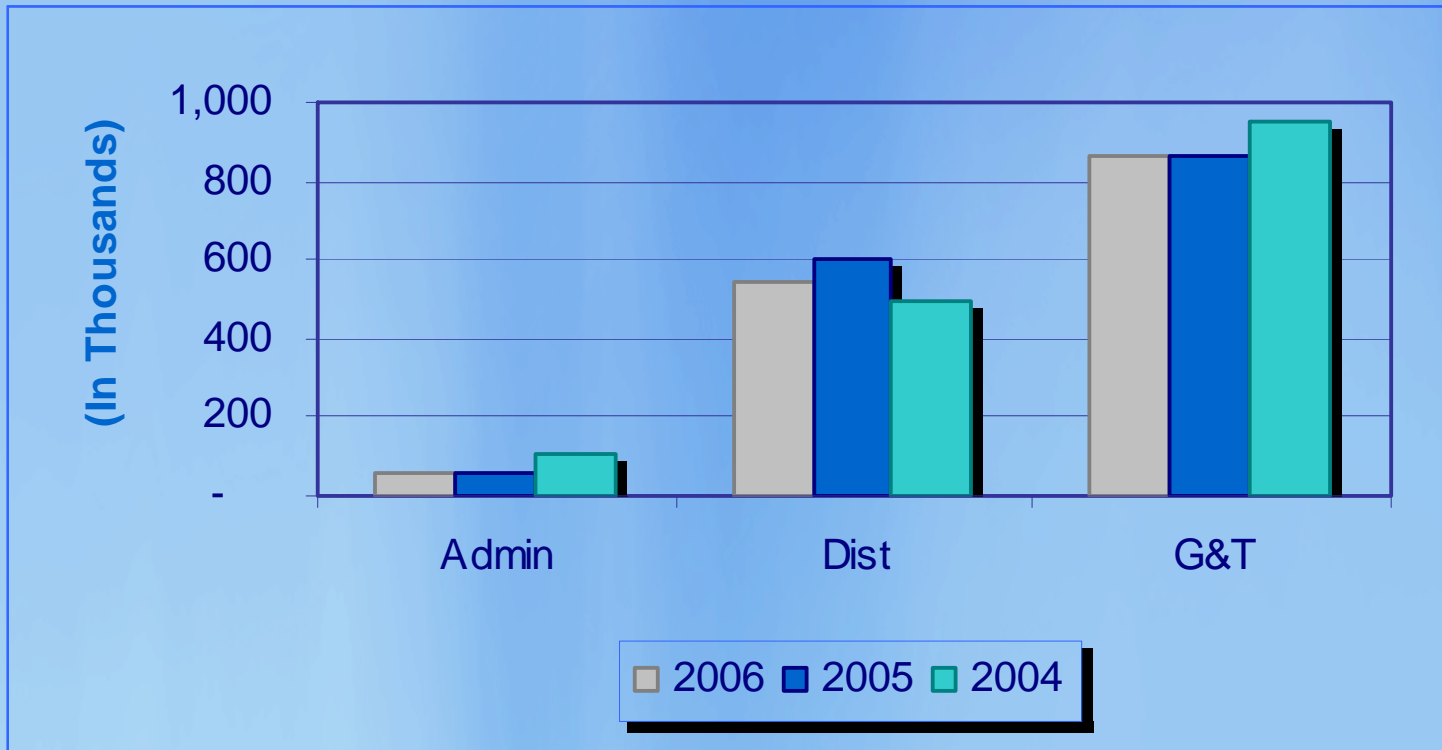
	<u>Total</u>	<u>G &amp; T</u>	<u>Distribution</u>
18. Memberships	\$ 1,272,878	\$ 0	\$ 1,272,878
19. Patronage Capital & Margins & Equities	149,061,557	35,005,010	114,056,547
<b>20. Total Margins &amp; Equities (18 plus 19)</b>	<b>\$ 150,334,435</b>	<b>\$ 35,005,010</b>	<b>\$ 115,329,425</b>
21. Long-Term Debt - Bonds (Net)	305,500,000	217,281,305	88,218,695
22. Long-Term Debt - Other (Net)	46,303,530	32,932,541	13,370,989
<b>23. Total Long-Term Debt (21 plus 22)</b>	<b>\$ 351,803,530</b>	<b>\$ 250,213,846</b>	<b>\$ 101,589,684</b>
24. Notes Payable	13,728,569	9,764,194	3,964,375
25. Accounts Payable	4,832,748	1,843,907	2,988,841
26. Consumer Deposits	2,058,746	0	2,058,746
27. Other Current & Accrued Liabilities	36,081,946	27,795,983	8,285,963
<b>28. Total Current &amp; Accrued Liabilities (24 thru 28)</b>	<b>\$ 56,702,009</b>	<b>\$ 39,404,084</b>	<b>\$ 17,297,925</b>
29. Deferred Credits	2,598,519	251,103	2,347,416
<b>30. Total Liab &amp; Other Credits (20 + 23 + 28 + 29)</b>	<b>\$ 561,438,493</b>	<b>\$ 324,874,043</b>	<b>\$ 236,564,450</b>

# Statement of Cash Flows

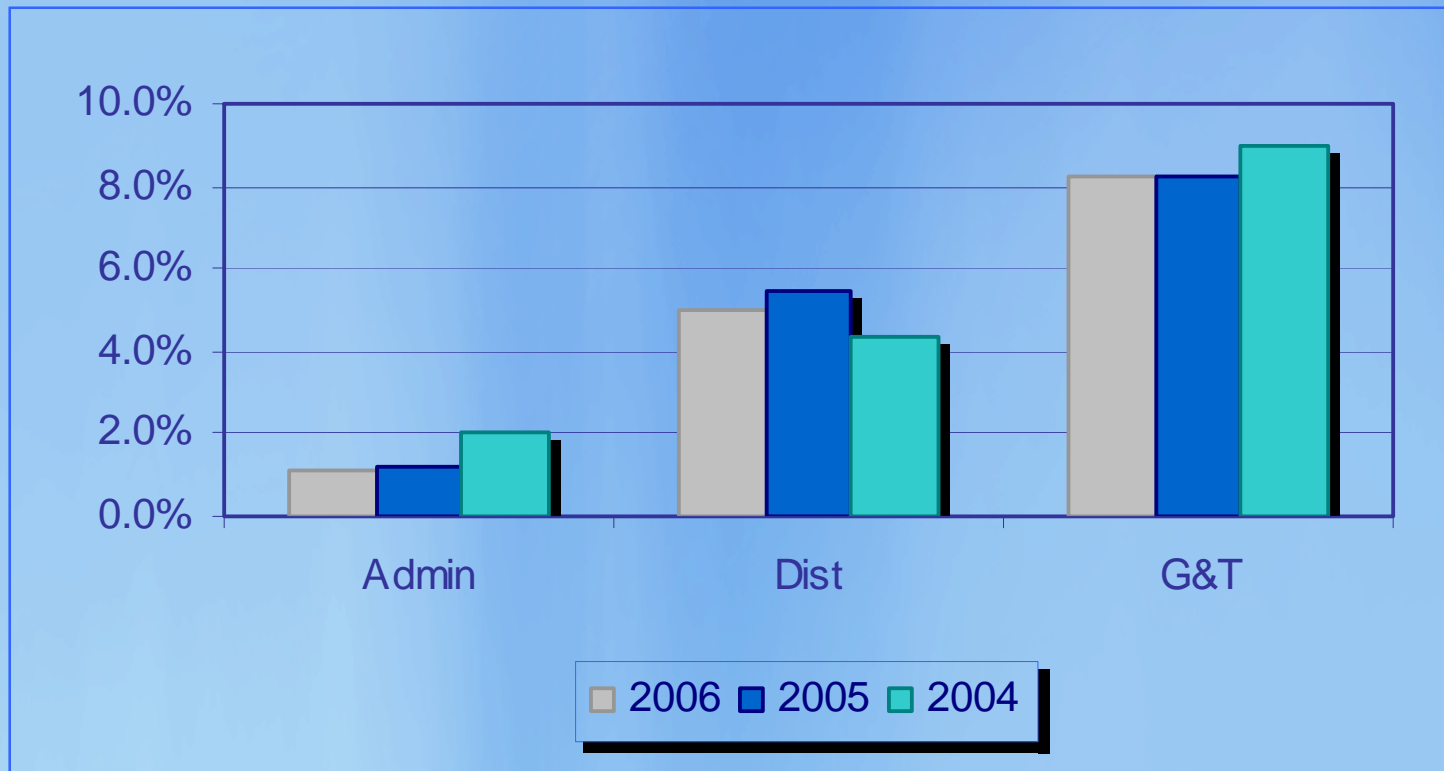
## YTD June 30, 2006

	<u>Total</u>	<u>G&amp;T</u>	<u>Distribution</u>
<b>1. Cash flows from operating activities:</b>			
Assignable margins	\$ 5,903,100	\$ (145,819)	\$ 6,048,919
Adjustments to reconcile assignable margins to net cash provided (used) by operating activities:			
Depreciation & amortization	14,209,768	9,113,652	5,096,116
Capitalization of interest	(273,422)	(131,251)	(142,171)
Other	1,072	780	292
Changes in assets and liabilities:			
(Increase) decrease in assets:	4,566,659	(311,331)	4,877,990
Increase (decrease) in liabilities:	(1,666,605)	(370,292)	(1,296,313)
<b>Net cash provided by operating activities:</b>	<b>\$ 22,740,572</b>	<b>\$ 8,155,739</b>	<b>\$ 14,584,833</b>
<b>2. Cash flows from investing activities:</b>			
Extension and replacement of plant	(6,255,641)	(1,827,101)	(4,428,540)
<b>Net cash used for investing activities:</b>	<b>\$ (6,255,641)</b>	<b>\$ (1,827,101)</b>	<b>\$ (4,428,540)</b>
<b>3. Cash flows from financing activities:</b>			
Repayments of long-term obligations	(7,325,687)	(5,210,262)	(2,115,425)
Loan to G&T/from Distribution	0	0	0
Patronage capital / Other	(607,815)	(989,133)	381,318
<b>Net cash used for financing activities:</b>	<b>(7,933,502)</b>	<b>(6,199,395)</b>	<b>(1,734,107)</b>
Net increase (decrease) in cash and cash equivalents	8,551,429	129,243	8,422,186
<b>4. <u>Cash &amp; cash equivalents at beginning of year</u></b>	<b>\$ 10,650,594</b>	<b>\$ 477,193</b>	<b>\$ 10,173,401</b>
<b>5. <u>Cash &amp; cash equivalents at end of period</u></b>	<b>\$ 19,202,023</b>	<b>\$ 606,436</b>	<b>\$ 18,595,587</b>

# Unbundled Overtime Dollars YTD June 2006



# Unbundled Overtime as a Percentage of Total Hours YTD June 2006



**Questions?**