

June 2008  
Unbundled Financials

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Chugach Electric Association, Inc.

Finance Committee

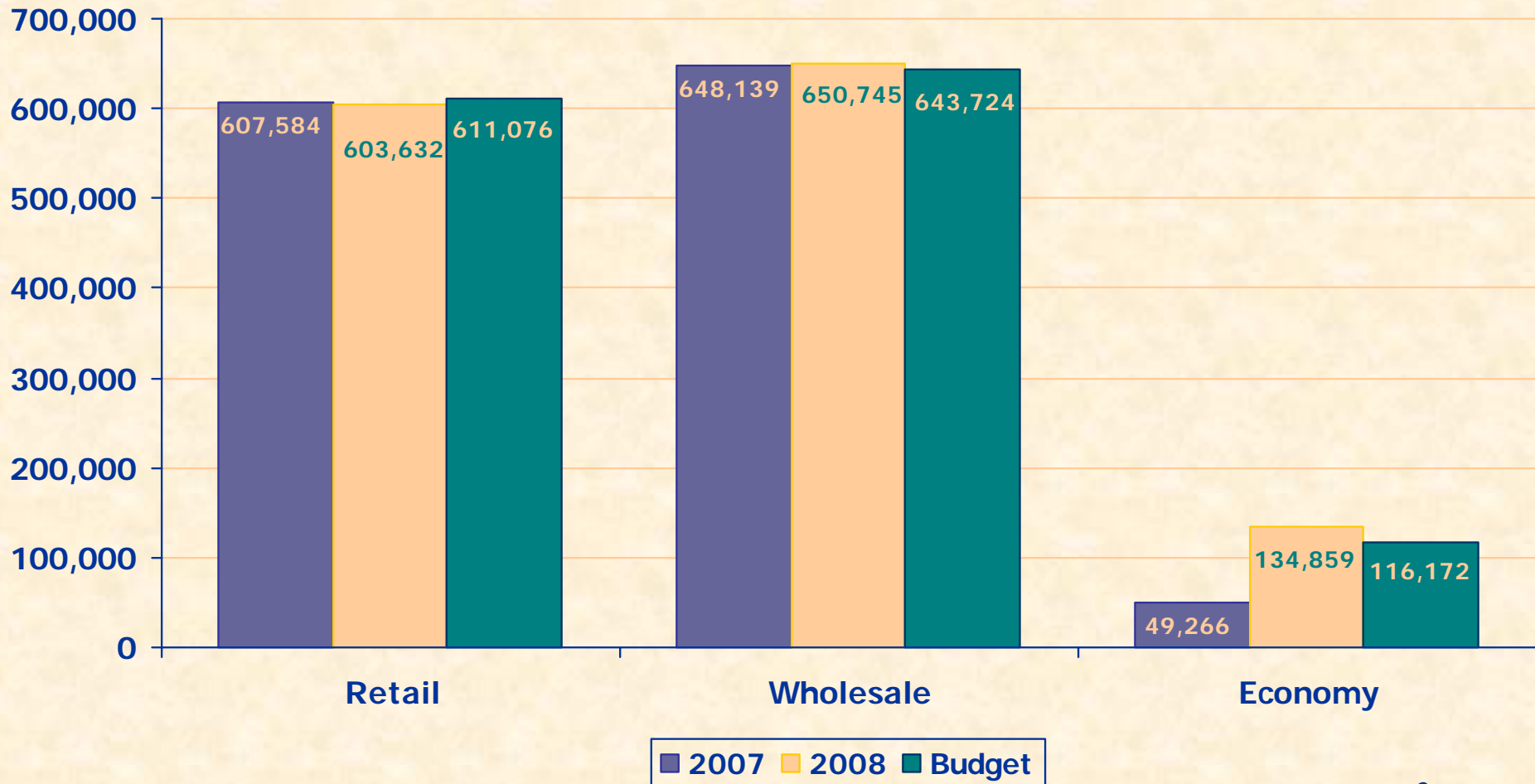
August 8, 2008

# June Financial Information

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# June YTD MWh Sales



# 2008 Year-End Forecast

	2008 YTD Actuals	2008 YTD Budget	2008 Revised Forecast	
<b>1. Operating Revenue &amp; Patronage Capital</b>	\$ 134,354,311	\$ 132,727,009	\$ 272,822,025	1&2
2. Fuel Expense	59,533,462	57,534,755	122,866,753	1&2
3. Power Production Expense	8,446,566	8,289,940	16,445,185	
4. Purchased Power Expense	15,617,983	15,325,449	31,411,917	1
5. Transmission Expense	2,918,740	3,393,013	6,483,569	
6. Distribution Expense	5,939,732	5,875,606	11,726,124	
7. Customer Expense	2,691,190	2,914,418	5,740,544	
8. Administrative & General Expense	9,540,884	9,243,390	17,690,176	
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 104,688,557</b>	<b>\$ 102,576,571</b>	<b>\$ 212,364,268</b>	
10. Depreciation & Amortization Expense	\$ 14,974,135	\$ 14,914,237	\$ 31,314,640	2
11. Tax Expense - Other	411,719	460,044	836,537	1
12. Interest on LT Debt	10,880,750	11,603,256	21,591,288	2
13. Interest Charged to Construction - Credit	(217,832)	(539,106)	(809,715)	2
14. Interest Expense - Other	352,344	4,583	1,246,636	1&2
15. Other Deductions	50,113	124,998	175,115	1
<b>15. TOTAL Cost of Electric Service (10 thru 15)</b>	<b>\$ 131,139,786</b>	<b>\$ 129,144,583</b>	<b>\$ 266,718,769</b>	
<b>16. Patronage Capital &amp; Operating Margins</b>	<b>\$ 3,214,525</b>	<b>\$ 3,582,426</b>	<b>\$ 6,103,256</b>	
17. Non-Operating Margins - Interest	212,315	215,635	388,943	1
18. Allowance for Funds Used During Construction	61,127	233,031	218,187	2
19. Non-Operating Margins - Other	(159)	0	524,841	1
<b>20. Patronage Capital or Margins</b>	<b>\$ 3,487,808</b>	<b>\$ 4,031,092</b>	<b>\$ 7,235,227</b>	

TIER

1.32

1.35

1.34

<sup>1</sup>Forecast based on 6 months actual and 6 months budget

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

# System Statement of Operations

## June YTD 2008

	Total	Generation	Transmission	Distribution
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 134,354,311</b>	<b>\$94,838,667</b>	<b>\$12,506,177</b>	<b>\$27,009,467</b>
2. Fuel Expense	59,533,462	59,533,462	0	0
3. Power Production Expense	8,446,566	8,444,978	1,588	0
4. Purchased Power Expense	15,617,983	15,617,983	0	0
5. Transmission Expense	2,918,740	0	2,918,740	0
6. Distribution Expense	5,939,732	0	0	5,939,732
7. Customer Expense	2,691,190	0	0	2,691,190
8. Administrative & General Expense	9,540,884	3,350,989	1,284,646	4,905,249
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 104,688,557</b>	<b>\$86,947,412</b>	<b>\$4,204,974</b>	<b>\$13,536,171</b>
10. Depreciation & Amortization Expense	\$ 14,974,135	\$6,605,275	\$2,831,973	\$5,536,887
11. Tax Expense - Other	411,719	37,594	15,309	358,816
12. Interest on LT Debt	10,880,750	3,817,301	3,895,271	3,168,178
13. Interest Charged to Construction - Credit	(217,832)	(68,661)	(67,058)	(82,113)
14. Interest Expense - Other	352,344	120,751	109,964	121,629
15. Other Deductions	50,113	(0)	(14,925)	65,038
<b>15. TOTAL Cost of Electric Service (9 thru 15)</b>	<b>\$ 131,139,786</b>	<b>\$97,459,672</b>	<b>\$10,975,508</b>	<b>\$22,704,606</b>
<b>16. Patronage Capital &amp; Operating Margins</b>	<b>\$ 3,214,525</b>	<b>\$ (2,621,005)</b>	<b>\$1,530,669</b>	<b>\$4,304,861</b>
17. Non-Operating Margins - Interest	212,315	0	0	212,315
18. Allowance for Funds Used During Construction	61,127	19,463	18,636	23,028
19. Non-Operating Margins - Other	(159)	(54)	(59)	(46)
<b>20. Patronage Capital or Margins</b>	<b>\$ 3,487,808</b>	<b>\$ (2,601,596)</b>	<b>\$1,549,246</b>	<b>\$4,540,158</b>
<b>Achieved TIER</b>	<b>1.32</b>	<b>0.32</b>	<b>1.40</b>	<b>2.43</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.1071</b>	<b>\$ 0.0756</b>	<b>\$ 0.0100</b>	<b>\$ 0.0447</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.1045</b>	<b>\$ 0.0777</b>	<b>\$ 0.0087</b>	<b>\$ 0.0376</b>

# Generation Statement of Operations

## June YTD 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 93,457,784</b>	<b>\$ 94,838,667</b>	<b>\$ 1,380,883</b>
2. Fuel Expense	57,534,755	59,533,462	1,998,707
3. Power Production Expense	8,289,940	8,444,978	155,038
4. Purchased Power Expense	15,325,449	15,617,983	292,534
5. Transmission Expense	0	0	0
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	3,297,918	3,350,989	53,071
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 84,448,062</b>	<b>\$ 86,947,412</b>	<b>\$ 2,499,350</b>
10. Depreciation & Amortization Expense	\$ 6,709,559	\$ 6,605,275	\$ (104,284)
11. Tax Expense - Other	52,639	37,594	(15,045)
12. Interest on LT Debt	4,108,513	3,817,301	(291,212)
13. Interest Charged to Construction - Credit	(91,810)	(68,661)	23,149
14. Interest Expense - Other	780	120,751	119,971
15. Other Deductions	42,586	(0)	(42,586)
<b>16. TOTAL Cost of Electric Service (9 thru 15)</b>	<b>\$ 95,270,329</b>	<b>\$ 97,459,672</b>	<b>\$ 2,189,343</b>
<b>17. Patronage Capital &amp; Operating Margins</b>	<b>\$ (1,812,545)</b>	<b>\$ (2,621,005)</b>	<b>\$ (808,460)</b>
18. Non-Operating Margins - Interest	0	0	0
19. Allowance for Funds Used During Construction	39,685	19,463	(20,222)
20. Non-Operating Margins - Other	0	(54)	(54)
<b>21. Patronage Capital or Margins</b>	<b>\$ (1,772,860)</b>	<b>\$ (2,601,596)</b>	<b>\$ (828,736)</b>
<b>Achieved TIER</b>	<b>0.57</b>	<b>0.32</b>	<b>(0.25)</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.0745</b>	<b>\$ 0.0756</b>	<b>\$ 0.0011</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.0759</b>	<b>\$ 0.0777</b>	<b>\$ 0.0018</b>

# Transmission Statement of Operations

## June YTD 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 12,524,134</b>	<b>\$ 12,506,177</b>	<b>\$ (17,957)</b>
2. Fuel Expense	0	0	0
3. Power Production Expense	0	1,588	1,588
4. Purchased Power Expense	0	0	0
5. Transmission Expense	3,393,013	2,918,740	(474,273)
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	1,306,538	1,284,646	(21,892)
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 4,699,551</b>	<b>\$ 4,204,974</b>	<b>\$ (494,577)</b>
10. Depreciation & Amortization Expense	\$ 2,998,105	\$ 2,831,973	\$ (166,132)
11. Tax Expense - Other	21,523	15,309	(6,214)
12. Interest on LT Debt	4,189,324	3,895,271	(294,053)
13. Interest Charged to Construction - Credit	(171,759)	(67,058)	104,701
14. Interest Expense - Other	1,460	109,964	108,504
15. Other Deductions	17,413	(14,925)	(32,338)
<b>16. TOTAL Cost of Electric Service (9 thru 15)</b>	<b>\$ 11,755,617</b>	<b>\$ 10,975,508</b>	<b>\$ (780,109)</b>
<b>17. Patronage Capital &amp; Operating Margins</b>	<b>\$ 768,517</b>	<b>\$ 1,530,669</b>	<b>\$ 762,152</b>
18. Non-Operating Margins - Interest	0	0	0
19. Allowance for Funds Used During Construction	74,244	18,636	(55,608)
20. Non-Operating Margins - Other	0	(59)	(59)
<b>21. Patronage Capital or Margins</b>	<b>\$ 842,761</b>	<b>\$ 1,549,246</b>	<b>\$ 706,485</b>
Achieved TIER	1.20	1.40	0.20
Operating Revenue per kWh	\$ 0.0100	\$ 0.0100	\$ 0
Operating Cost per kWh	\$ 0.0094	\$ 0.0087	\$ (0.0007)

# Distribution Statement of Operations

## June YTD 2008

	<u>Budget</u>		<u>Actual</u>		<u>Variance</u>
<b>1. Operating Revenue &amp; Patronage Capital</b>	<b>\$ 26,745,091</b>	<b>\$</b>	<b>\$ 27,009,467</b>	<b>\$</b>	<b>264,376</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	5,875,606		5,939,732		64,126
7. Customer Expense	2,914,418		2,691,190		(223,228)
8. Administrative & General Expense	4,638,934		4,905,249		266,315
<b>9. TOTAL Ops &amp; Maint Expense (2 thru 8)</b>	<b>\$ 13,428,958</b>	<b>\$</b>	<b>\$ 13,536,171</b>	<b>\$</b>	<b>107,213</b>
10. Depreciation & Amortization Expense	\$ 5,206,573	<b>\$</b>	\$ 5,536,887	<b>\$</b>	330,314
11. Tax Expense - Other	385,882		358,816		(27,066)
12. Interest on LT Debt	3,305,419		3,168,178		(137,241)
13. Interest Charged to Construction - Credit	(275,537)		(82,113)		193,424
14. Interest Expense - Other	2,342		121,629		119,287
15. Other Deductions	64,999		65,038		39
<b>16. TOTAL Cost of Electric Service (9 thru 15)</b>	<b>\$ 22,118,636</b>	<b>\$</b>	<b>\$ 22,704,606</b>	<b>\$</b>	<b>585,970</b>
<b>17. Patronage Capital &amp; Operating Margins</b>	<b>\$ 4,626,455</b>	<b>\$</b>	<b>\$ 4,304,861</b>	<b>\$</b>	<b>(321,594)</b>
18. Non-Operating Margins - Interest	215,635		212,315		(3,320)
19. Allowance for Funds Used During Construction	119,102		23,028		(96,074)
20. Non-Operating Margins - Other	0		(46)		(46)
<b>21. Patronage Capital or Margins</b>	<b>\$ 4,961,192</b>	<b>\$</b>	<b>\$ 4,540,158</b>	<b>\$</b>	<b>(421,034)</b>
<b>Achieved TIER</b>	<b>2.50</b>		<b>2.43</b>		<b>(0.07)</b>
<b>Operating Revenue per kWh</b>	<b>\$ 0.0438</b>	<b>\$</b>	<b>\$ 0.0447</b>	<b>\$</b>	<b>0.0009</b>
<b>Operating Cost per kWh</b>	<b>\$ 0.0362</b>	<b>\$</b>	<b>\$ 0.0376</b>	<b>\$</b>	<b>0.0014</b>

# Balance Sheet, Assets & Other Debits

## June 2008

	<u>Total</u>	<u>G &amp; T</u>	<u>Distribution</u>
1. Total Utility Plant In Service	\$ 812,645,982	\$ 475,296,332	\$ 337,349,650
2. Construction Work In Progress	21,401,487	15,408,489	5,992,998
<b>3. Total Utility Plant (1 plus 2)</b>	<b>\$ 834,047,469</b>	<b>\$ 490,704,821</b>	<b>\$ 343,342,648</b>
4. Accum. Provision for Depreciation and Amort.	(381,442,755)	(247,640,363)	(133,802,392)
<b>5. Net Utility Plant (3 minus 4)</b>	<b>\$ 452,604,714</b>	<b>\$ 243,064,458</b>	<b>\$ 209,540,256</b>
6. Nonutility Property - Net	24,461	0	24,461
7. Investment in Associated Organizations	11,993,216	8,215,582	3,777,634
8. Special Funds	292,709	140,893	151,816
<b>9. Total Other Property &amp; Investments (6 thru 8)</b>	<b>\$ 12,310,386</b>	<b>\$ 8,356,475</b>	<b>\$ 3,953,911</b>
10. Cash & Temporary Investments	5,415,484	0	5,415,484
11. Special Deposits	125,117	48,035	77,082
12. Accounts Receivable - Net	22,423,652	16,773,263	5,650,389
13. Temporary Intracompany Non-Interest Bearing Balance	4,615,325	0	4,615,325
14. Materials and Supplies	27,079,006	19,450,444	7,628,562
15. Prepayments	1,149,693	568,799	580,894
16. Other Current & Accrued Assets	4,746,026	4,623,038	122,988
<b>17. Total Current &amp; Accrued Assets (10 thru 16)</b>	<b>\$ 65,554,303</b>	<b>\$ 41,463,579</b>	<b>\$ 24,090,724</b>
18. Deferred Debits	21,195,553	19,519,241	1,676,312
<b>19. Total Assets &amp; Other Debits (5 + 9 + 17 + 18)</b>	<b>\$ 551,664,956</b>	<b>\$ 312,403,753</b>	<b>\$ 239,261,203</b>

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

# Balance Sheet, Liabilities & Other Credits

## June 2008

	<u>Total</u>	<u>G &amp; T</u>	<u>Distribution</u>
20. Memberships	\$ 1,365,648	\$ 0	\$ 1,365,648
21. Patronage Capital & Margins & Equities	151,392,028	37,152,832	114,239,196
<b>22. Total Margins &amp; Equities (20 plus 21)</b>	<b>\$ 152,757,676</b>	<b>\$ 37,152,832</b>	<b>\$ 115,604,844</b>
23. Long-Term Debt - Bonds (Net)	270,000,000	184,842,000	85,158,000
24. Long-Term Debt - Other (Net)	42,899,657	29,369,105	13,530,552
<b>25. Total Long-Term Debt (23 plus 24)</b>	<b>\$ 312,899,657</b>	<b>\$ 214,211,105</b>	<b>\$ 98,688,552</b>
26. Notes Payable	34,079,441	23,330,785	10,748,656
27. Accounts Payable	7,015,319	3,084,669	3,930,650
28. Temporary Intracompany Non-Interest Bearing Balance	4,615,325	4,615,325	0
29. Consumer Deposits	2,417,082	0	2,417,082
30. Other Current & Accrued Liabilities	36,296,505	29,577,199	6,719,306
<b>31. Total Current &amp; Accrued Liabilities (26 thru 30)</b>	<b>\$ 84,423,672</b>	<b>\$ 60,607,978</b>	<b>\$ 23,815,694</b>
32. Deferred Credits	1,291,242	290,945	1,000,297
33. Misc Operating Reserves	292,709	140,893	151,816
<b>34. Total Liab &amp; Other Credits (22 + 25 + 31 + 32 + 33)</b>	<b>\$ 551,664,956</b>	<b>\$ 312,403,753</b>	<b>\$ 239,261,203</b>
<b>Equity Ratio</b>	<b>32.80%</b>	<b>14.78%</b>	<b>53.95%</b>

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**Questions?**