

July 2008
Unbundled Financials

Chugach Electric Association, Inc.

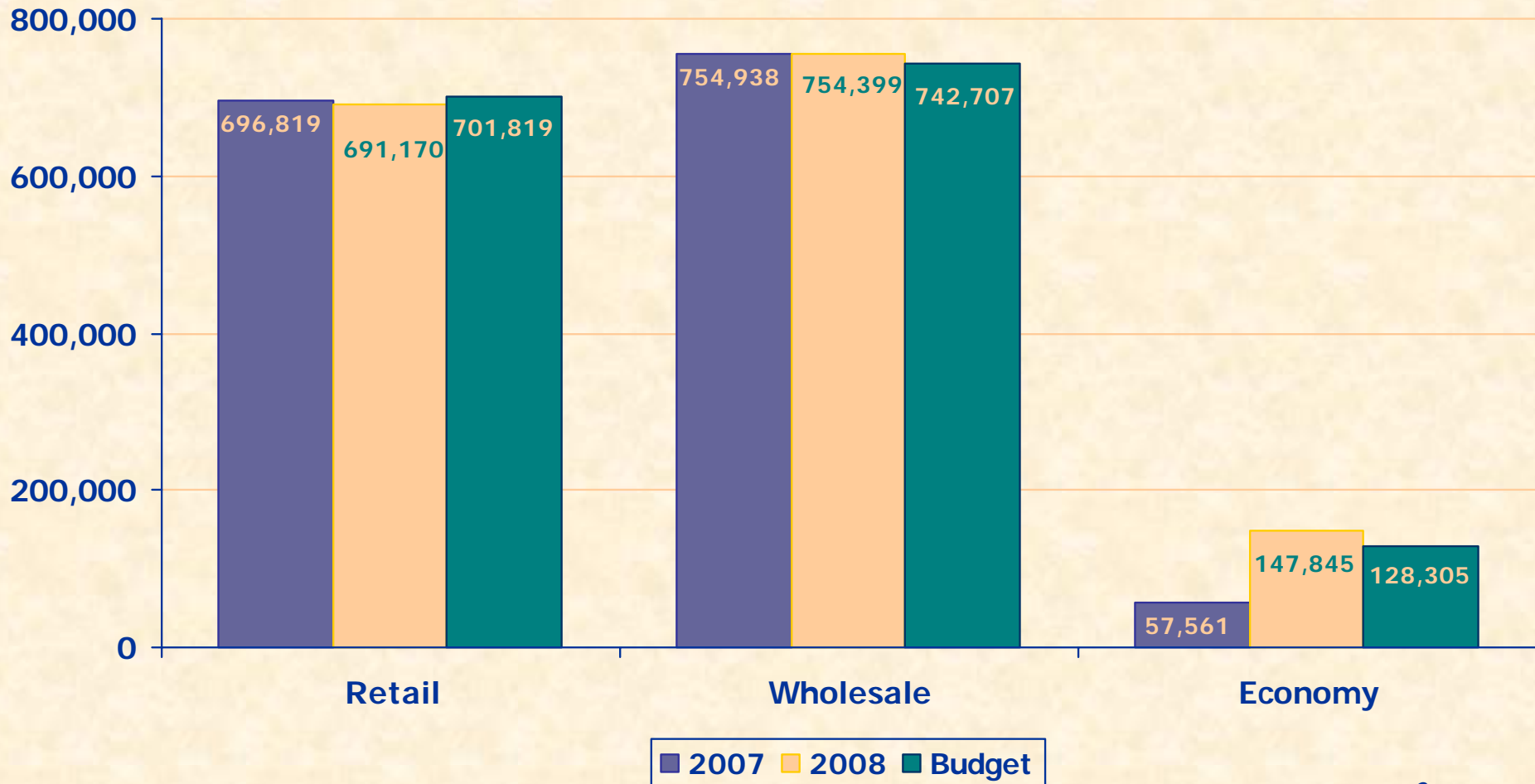
Finance Committee

September 10, 2008

July Financial Information

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July YTD MWh Sales



2008 Year-End Forecast

	YTD Actuals	YTD Budget	Revised Forecast	
1. Operating Revenue & Patronage Capital	\$ 156,814,276	\$ 153,701,050	\$ 274,557,949	1&2
2. Fuel Expense	70,892,894	66,965,145	124,895,795	1&2
3. Power Production Expense	10,180,645	9,841,191	16,695,185	2
4. Purchased Power Expense	17,645,911	18,052,234	30,713,060	1
5. Transmission Expense	3,472,204	3,929,312	6,483,569	
6. Distribution Expense	7,359,392	6,937,056	11,726,124	
7. Customer Expense	3,173,032	3,471,771	5,740,544	
8. Administrative & General Expense	11,253,411	10,791,890	18,747,730	
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 123,977,489	\$ 119,988,599	\$ 215,002,007	
10. Depreciation & Amortization Expense	\$ 17,504,448	\$ 17,470,726	\$ 30,788,074	1&2
11. Tax Expense - Other	483,999	530,418	838,443	1
12. Interest on LT Debt	12,609,897	13,525,499	21,255,632	1&2
13. Interest Charged to Construction - Credit	(245,732)	(611,398)	(470,732)	1&2
14. Interest Expense - Other	435,939	22,916	1,003,914	1&2
15. Other Deductions	55,803	145,831	159,972	1
15. TOTAL Cost of Electric Service (9 thru 15)	\$ 154,821,843	\$ 151,072,591	\$ 268,577,310	
16. Patronage Capital & Operating Margins	\$ 1,992,433	\$ 2,628,459	\$ 5,980,639	
17. Non-Operating Margins - Interest	245,372	241,807	395,828	1
18. Allowance for Funds Used During Construction	71,731	264,279	146,731	1&2
19. Non-Operating Margins - Other	10,987	0	535,987	1
20. Patronage Capital or Margins	\$ 2,320,523	\$ 3,134,545	\$ 7,059,185	

TIER

1.18

1.23

1.32

4

¹Forecast based on 7 months actual and 5 months budget

²Forecast has been adjusted to reflect current assumption changes

System Statement of Operations

July YTD 2008

	Total	Generation	Transmission	Distribution
1. Operating Revenue & Patronage Capital	\$ 156,814,276	\$111,550,539	\$14,230,574	\$31,033,163
2. Fuel Expense	70,892,894	70,892,894	0	0
3. Power Production Expense	10,180,645	10,179,057	1,588	0
4. Purchased Power Expense	17,645,911	17,645,911	0	0
5. Transmission Expense	3,472,204	0	3,472,204	0
6. Distribution Expense	7,359,392	0	0	7,359,392
7. Customer Expense	3,173,032	0	0	3,173,032
8. Administrative & General Expense	11,253,411	3,962,620	1,513,064	5,777,727
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 123,977,489	\$102,680,482	\$4,986,856	\$16,310,151
10. Depreciation & Amortization Expense	\$ 17,504,448	\$7,753,728	\$3,313,143	\$6,437,577
11. Tax Expense - Other	483,999	47,348	19,281	417,370
12. Interest on LT Debt	12,609,897	4,439,794	4,456,552	3,713,551
13. Interest Charged to Construction - Credit	(245,732)	(75,253)	(74,558)	(95,921)
14. Interest Expense - Other	435,939	140,504	132,435	163,000
15. Other Deductions	55,803	0	(14,925)	70,728
15. TOTAL Cost of Electric Service (9 thru 15)	\$ 154,821,843	\$114,986,603	\$12,818,784	\$27,016,456
16. Patronage Capital & Operating Margins	\$ 1,992,433	\$ (3,436,064)	\$1,411,790	\$4,016,707
17. Non-Operating Margins - Interest	245,372	0	0	245,372
18. Allowance for Funds Used During Construction	71,731	21,969	21,486	28,276
19. Non-Operating Margins - Other	10,987	3,758	1,495	5,734
20. Patronage Capital or Margins	\$ 2,320,523	\$ (3,410,337)	\$1,434,771	\$4,296,089
Achieved TIER	1.18	0.23	1.32	2.16
Operating Revenue per kWh	\$ 0.1085	\$ 0.0772	\$ 0.0098	\$ 0.0449
Operating Cost per kWh	\$ 0.1071	\$ 0.0795	\$ 0.0089	\$ 0.0391

Generation Statement of Operations

July YTD 2008

	Budget	Actual	Variance
1. Operating Revenue & Patronage Capital	\$ 108,790,464	\$ 111,550,539	\$ 2,760,075
2. Fuel Expense	66,965,145	70,892,894	3,927,749
3. Power Production Expense	9,841,191	10,179,057	337,866
4. Purchased Power Expense	18,052,234	17,645,911	(406,323)
5. Transmission Expense	0	0	0
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	3,855,463	3,962,620	107,157
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 98,714,033	\$ 102,680,482	\$ 3,966,449
10. Depreciation & Amortization Expense	7,907,659	7,753,728	(153,931)
11. Tax Expense - Other	61,157	47,348	(13,809)
12. Interest on LT Debt	4,789,146	4,439,794	(349,352)
13. Interest Charged to Construction - Credit	(104,121)	(75,253)	28,868
14. Interest Expense - Other	3,903	140,504	136,601
15. Other Deductions	49,684	0	(49,684)
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 111,421,461	\$ 114,986,603	\$ 3,565,142
17. Patronage Capital & Operating Margins	\$ (2,630,997)	\$ (3,436,063)	\$ (805,067)
18. Non-Operating Margins - Interest	0	0	0
19. Allowance for Funds Used During Construction	45,007	21,969	(23,038)
20. Non-Operating Margins - Other	0	3,758	3,758
21. Patronage Capital or Margins	\$ (2,585,990)	\$ (3,410,336)	\$ (824,347)
Achieved TIER	0.46	0.23	(0.23)
Operating Revenue per kWh	\$ 0.0753	\$ 0.0772	\$ 0.0019
Operating Cost per kWh	\$ 0.0771	\$ 0.0795	\$ 0.0024

Transmission Statement of Operations

July YTD 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 14,308,310	\$ 14,230,574	\$ (77,736)
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	3,929,312	3,472,204	(457,108)
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	1,527,538	1,513,064	(14,474)
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 5,456,850	\$ 4,986,856	\$ (469,994)
10. Depreciation & Amortization Expense	\$ 3,498,167	\$ 3,313,143	(185,024)
11. Tax Expense - Other	25,006	19,281	(5,725)
12. Interest on LT Debt	4,883,345	4,456,552	(426,793)
13. Interest Charged to Construction - Credit	(194,791)	(74,558)	120,233
14. Interest Expense - Other	7,301	132,435	125,134
15. Other Deductions	20,315	(14,925)	(35,240)
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 13,696,193	\$ 12,818,784	\$ (877,409)
17. Patronage Capital & Operating Margins	\$ 612,117	\$ 1,411,790	\$ 799,673
18. Non-Operating Margins - Interest	0	0	0
19. Allowance for Funds Used During Construction	84,199	21,486	(62,713)
20. Non-Operating Margins - Other	0	1,495	1,495
21. Patronage Capital or Margins	\$ 696,316	\$ 1,434,771	\$ 738,455
Achieved TIER	1.14	1.32	0.18
Operating Revenue per kWh	\$ 0.0099	\$ 0.0098	\$ -0.0001
Operating Cost per kWh	\$ 0.0095	\$ 0.0089	\$ (0.0006)

Distribution Statement of Operations

July YTD 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 30,602,277	\$ 31,033,163	\$ 430,886
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	6,937,056	7,359,392	422,336
7. Customer Expense	3,471,771	3,173,032	(298,739)
8. Administrative & General Expense	5,408,889	5,777,727	368,838
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 15,817,716	\$ 16,310,151	\$ 492,435
10. Depreciation & Amortization Expense	\$ 6,064,900	\$ 6,437,577	\$ 372,677
11. Tax Expense - Other	444,255	417,370	(26,885)
12. Interest on LT Debt	3,853,008	3,713,551	(139,457)
13. Interest Charged to Construction - Credit	(312,486)	(95,921)	216,565
14. Interest Expense - Other	11,712	163,000	151,288
15. Other Deductions	75,833	70,728	(5,105)
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 25,954,938	\$ 27,016,456	\$ 1,061,518
17. Patronage Capital & Operating Margins	\$ 4,647,340	\$ 4,016,707	\$ (630,633)
18. Non-Operating Margins - Interest	241,807	245,372	3,565
19. Allowance for Funds Used During Construction	135,073	28,276	(106,797)
20. Non-Operating Margins - Other	0	5,734	5,734
21. Patronage Capital or Margins	\$ 5,024,220	\$ 4,296,089	\$ (728,131)
Achieved TIER	2.30	2.16	(0.14)
Operating Revenue per kWh	\$ 0.0436	\$ 0.0449	\$ 0.0013
Operating Cost per kWh	\$ 0.0370	\$ 0.0391	\$ 0.0021

Balance Sheet, Assets & Other Debits

July 2008

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
1. Total Utility Plant In Service	\$ 814,756,061	\$ 476,854,637	\$ 337,901,424
2. Construction Work In Progress	14,435,864	7,291,072	7,144,792
3. Total Utility Plant (1 plus 2)	\$ 829,191,925	\$ 484,145,709	\$ 345,046,216
4. Accum. Provision for Depreciation and Amort.	(379,670,917)	(245,013,067)	(134,657,850)
5. Net Utility Plant (3 minus 4)	\$ 449,521,008	\$ 239,132,642	\$ 210,388,366
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
9. Total Other Property & Investments (6 thru 8)	\$ 12,310,386	\$ 8,356,475	\$ 3,953,911
10. Cash & Temporary Investments	2,704,134	0	2,704,134
11. Special Deposits	125,117	48,035	77,082
12. Accounts Receivable - Net	24,043,684	18,467,585	5,576,099
13. Temporary Intracompany Non-Interest Bearing Balance	7,177,057	0	7,177,057
14. Materials and Supplies	30,336,719	22,693,145	7,643,574
15. Prepayments	985,015	479,542	505,473
16. Other Current & Accrued Assets	6,371,089	6,224,571	146,518
17. Total Current & Accrued Assets (10 thru 16)	\$ 71,742,815	\$ 47,912,878	\$ 23,829,937
18. Deferred Debits	22,116,667	20,328,059	1,788,608
19. Total Assets & Other Debits (5 + 9 + 17 + 18)	\$ 555,690,876	\$ 315,730,054	\$ 239,960,822

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

Balance Sheet, Liabilities & Other Credits

July 2008

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
20. Memberships	\$ 1,369,863	\$ 0	\$ 1,369,863
21. Patronage Capital & Margins & Equities	150,122,541	36,223,793	113,898,748
22. Total Margins & Equities (20 plus 21)	\$ 151,492,404	\$ 36,223,793	\$ 115,268,611
23. Long-Term Debt - Bonds (Net)	270,000,000	184,842,000	85,158,000
24. Long-Term Debt - Other (Net)	42,654,385	29,201,192	13,453,193
25. Total Long-Term Debt (23 plus 24)	\$ 312,654,385	\$ 214,043,192	\$ 98,611,193
26. Notes Payable	34,085,645	23,335,033	10,750,612
27. Accounts Payable	8,002,770	4,109,070	3,893,700
28. Temporary Intracompany Non-Interest Bearing Balance	7,177,057	7,177,057	0
29. Consumer Deposits	2,387,136	0	2,387,136
30. Other Current & Accrued Liabilities	38,165,159	30,410,072	7,755,087
31. Total Current & Accrued Liabilities (26 thru 30)	\$ 89,817,767	\$ 65,031,232	\$ 24,786,535
32. Deferred Credits	1,433,612	290,945	1,142,667
33. Misc Operating Reserves	292,708	140,892	151,816
34. Total Liab & Other Credits (22 + 25 + 31 + 32 + 33)	\$ 555,690,876	\$ 315,730,054	\$ 239,960,822
Equity Ratio	32.64%	14.47%	53.89%

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

Questions?