

August 2008 Unbundled Financials

Chugach Electric Association, Inc.

Finance Committee

October 8, 2008

August Financial Information

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Comparative Statement of Operations

August 2008

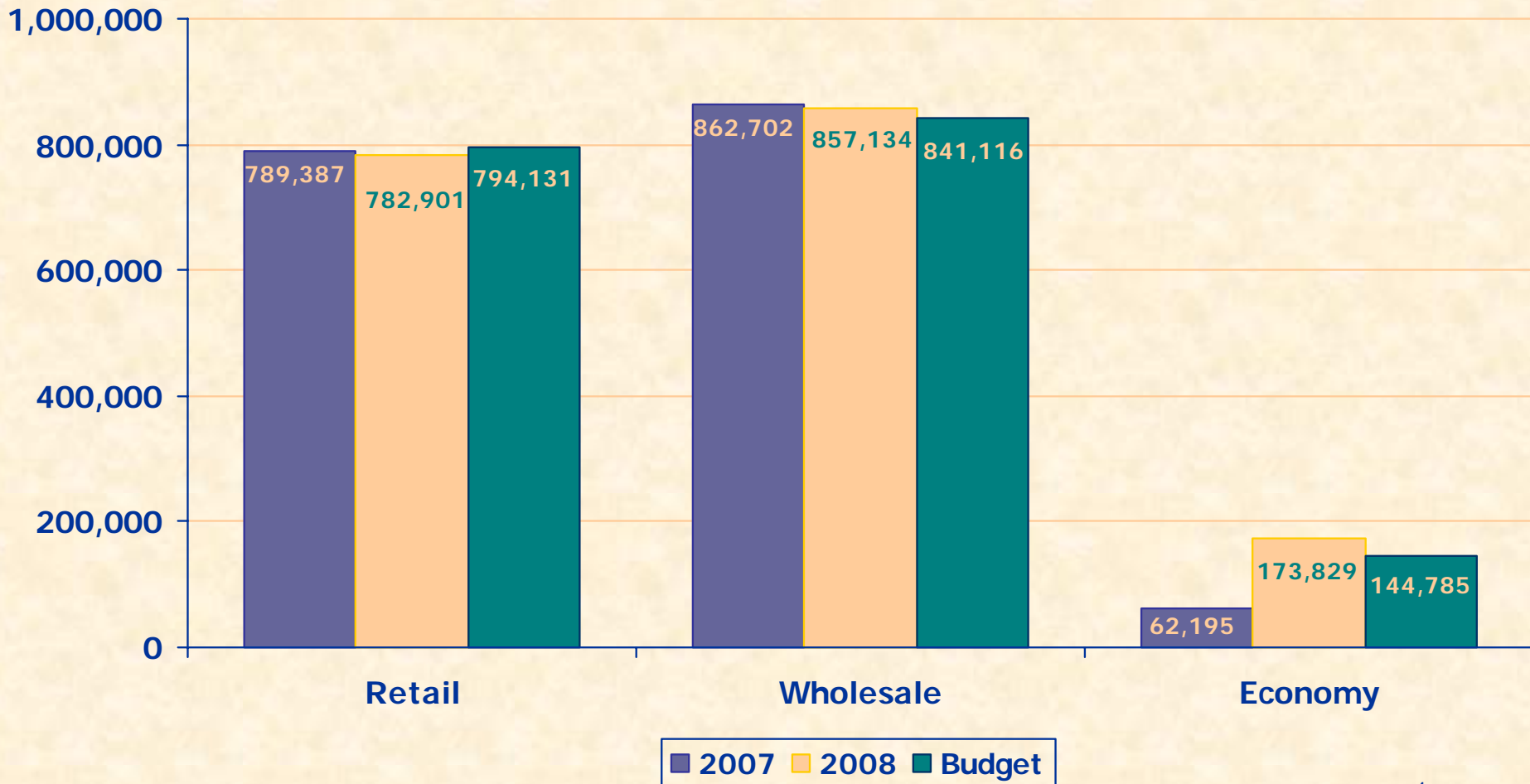
	<u>August Actuals</u>	<u>August Budget</u>	<u>August Variance</u>
1. Operating Revenue & Patronage Capital	\$ 24,612,117	\$ 22,761,172	\$ 1,850,945
2. Fuel Expense	12,940,314	11,002,278	1,938,036
3. Power Production Expense	1,088,589	1,080,746	7,843
4. Purchased Power Expense	2,592,207	2,709,943	(117,736)
5. Transmission Expense	656,671	465,228	191,443
6. Distribution Expense	984,811	978,187	6,624
7. Customer Expense	407,042	440,315	(33,274)
8. Administrative & General Expense	1,394,385	1,355,660	38,725
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 20,064,019	\$ 18,032,357	\$ 2,031,661
10. Depreciation & Amortization Expense	\$ 2,658,946	\$ 2,559,926	\$ 99,020
11. Tax Expense - Other	61,863	71,682	(9,819)
12. Interest on LT Debt	1,727,629	1,921,125	(193,496)
13. Interest Charged to Construction - Credit	(32,391)	(76,978)	44,587
14. Interest Expense - Other	94,744	36,667	58,077
15. Other Deductions	9,894	20,833	(10,940)
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 24,584,704	\$ 22,565,612	\$ 2,019,090
17. Patronage Capital & Operating Margins	\$ 27,413	\$ 195,560	\$ (168,145)
18. Non-Operating Margins - Interest	32,664	25,152	7,512
19. Allowance for Funds Used During Construction	9,237	33,274	(24,037)
20. Non-Operating Margins - Other	15,352	0	15,352
21. Patronage Capital or Margins	\$ 84,666	\$ 253,986	\$ (169,318)

TIER

1.05

1.13

August YTD MWh Sales



2008 Year-End Forecast

	YTD Actuals	YTD Budget	Revised Forecast	
1. Operating Revenue & Patronage Capital	\$ 181,426,393	\$ 176,462,222	\$ 276,533,894	^{1&2}
2. Fuel Expense	83,833,209	77,967,423	126,883,832	^{1&2}
3. Power Production Expense	11,269,234	10,921,937	16,695,185	²
4. Purchased Power Expense	20,238,118	20,762,177	30,595,324	¹
5. Transmission Expense	4,128,875	4,394,540	6,483,569	
6. Distribution Expense	8,344,203	7,915,243	11,726,124	
7. Customer Expense	3,580,073	3,912,086	5,740,544	
8. Administrative & General Expense	12,647,797	12,147,550	18,747,730	²
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 144,041,509	\$ 138,020,956	\$ 216,872,308	
10. Depreciation & Amortization Expense	\$ 20,163,394	\$ 20,030,652	\$ 30,807,053	^{1&2}
11. Tax Expense - Other	545,862	602,100	828,624	¹
12. Interest on LT Debt	14,337,526	15,446,624	21,248,042	^{1&2}
13. Interest Charged to Construction - Credit	(278,124)	(688,376)	(458,124)	^{1&2}
14. Interest Expense - Other	530,683	59,583	1,059,659	^{1&2}
15. Other Deductions	65,697	166,664	149,033	¹
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 179,406,547	\$ 173,638,203	\$ 270,506,595	
17. Patronage Capital & Operating Margins	\$ 2,019,846	\$ 2,824,019	\$ 6,027,299	
18. Non-Operating Margins - Interest	278,035	266,959	403,339	¹
19. Allowance for Funds Used During Construction	80,969	297,553	140,969	^{1&2}
20. Non-Operating Margins - Other	26,339	0	551,339	¹
21. Patronage Capital or Margins	\$ 2,405,189	\$ 3,388,531	\$ 7,122,946	

TIER

1.17

1.22

1.34

¹Forecast based on 8 months actual and 4 months budget

²Forecast has been adjusted to reflect current assumption changes

Generation Statement of Operations

August YTD 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 125,822,987	\$ 130,496,616	\$ 4,673,629
2. Fuel Expense	77,967,423	83,833,209	5,865,786
3. Power Production Expense	10,921,937	11,267,646	345,709
4. Purchased Power Expense	20,762,177	20,238,118	(524,059)
5. Transmission Expense	0	0	0
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	4,343,249	4,472,018	128,769
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 113,994,786	\$ 119,810,991	\$ 5,816,205
10. Depreciation & Amortization Expense	9,106,001	9,024,760	(81,241)
11. Tax Expense - Other	69,854	52,821	(17,033)
12. Interest on LT Debt	5,469,383	5,061,740	(407,643)
13. Interest Charged to Construction - Credit	(117,230)	(83,235)	33,995
14. Interest Expense - Other	10,147	163,849	153,702
15. Other Deductions	56,781	0	(56,781)
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 128,589,722	\$ 134,030,926	\$ 5,441,204
17. Patronage Capital & Operating Margins	\$ (2,766,735)	\$ (3,534,310)	\$ (767,575)
18. Non-Operating Margins - Interest	0	0	0
19. Allowance for Funds Used During Construction	50,673	24,245	(26,428)
20. Non-Operating Margins - Other	0	9,010	9,010
21. Patronage Capital or Margins	\$ (2,716,062)	\$ (3,501,055)	\$ (784,993)
Achieved TIER	0.50	0.31	(0.19)
Operating Revenue per kWh	\$ 0.0769	\$ 0.0796	\$ 0.0027
Operating Cost per kWh	\$ 0.0786	\$ 0.0817	\$ 0.0031

Transmission Statement of Operations

August YTD 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 16,134,362	\$ 15,934,559	\$ (199,803)
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	4,394,540	4,128,875	(265,665)
6. Distribution Expense	0	0	0
7. Customer Expense	0	0	0
8. Administrative & General Expense	1,718,866	1,701,274	(17,592)
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 6,113,406	\$ 5,831,737	\$ (281,669)
10. Depreciation & Amortization Expense	\$ 3,998,462	\$ 3,798,590	(199,872)
11. Tax Expense - Other	28,562	21,510	(7,052)
12. Interest on LT Debt	5,576,962	5,017,340	(559,622)
13. Interest Charged to Construction - Credit	(219,317)	(83,407)	135,910
14. Interest Expense - Other	18,983	158,319	139,336
15. Other Deductions	23,217	(14,925)	(38,142)
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 15,540,275	\$ 14,729,164	\$ (811,111)
17. Patronage Capital & Operating Margins	\$ 594,087	\$ 1,205,395	\$ 611,308
18. Non-Operating Margins - Interest	0	0	0
19. Allowance for Funds Used During Construction	94,800	24,010	(70,790)
20. Non-Operating Margins - Other	0	3,633	3,633
21. Patronage Capital or Margins	\$ 688,887	\$ 1,233,038	\$ 544,151
Achieved TIER	1.12	1.25	0.13
Operating Revenue per kWh	\$ 0.0099	\$ 0.0097	\$ (0.0002)
Operating Cost per kWh	\$ 0.0095	\$ 0.0090	\$ (0.0005)

Distribution Statement of Operations

August YTD 2008

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
1. Operating Revenue & Patronage Capital	\$ 34,504,874	\$ 34,995,218	\$ 490,344
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	7,915,243	8,344,203	428,960
7. Customer Expense	3,912,086	3,580,073	(332,013)
8. Administrative & General Expense	6,085,435	6,474,505	389,070
9. TOTAL Ops & Maint Expense (2 thru 8)	\$ 17,912,764	\$ 18,398,781	\$ 486,017
10. Depreciation & Amortization Expense	\$ 6,926,190	\$ 7,340,044	\$ 413,854
11. Tax Expense - Other	503,684	\$ 471,531	(32,153)
12. Interest on LT Debt	4,400,279	\$ 4,258,446	(141,833)
13. Interest Charged to Construction - Credit	(351,829)	\$ (111,482)	240,347
14. Interest Expense - Other	30,453	\$ 208,515	178,062
15. Other Deductions	86,666	\$ 80,622	(6,044)
16. TOTAL Cost of Electric Service (9 thru 15)	\$ 29,508,207	\$ 30,646,457	\$ 1,138,250
17. Patronage Capital & Operating Margins	\$ 4,996,667	\$ 4,348,761	\$ (647,906)
18. Non-Operating Margins - Interest	266,959	\$ 278,035	11,076
19. Allowance for Funds Used During Construction	152,079	\$ 32,714	(119,365)
20. Non-Operating Margins - Other	0	\$ 13,696	13,696
21. Patronage Capital or Margins	\$ 5,415,705	\$ 4,673,206	\$ (742,499)
Achieved TIER	2.23	2.10	(0.13)
Operating Revenue per kWh	\$ 0.0434	\$ 0.0447	\$ 0.0013
Operating Cost per kWh	\$ 0.0372	\$ 0.0391	\$ 0.0019

Balance Sheet, Assets & Other Debits

August 2008

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
1. Total Utility Plant In Service	\$ 814,675,258	\$ 476,785,395	\$ 337,889,863
2. Construction Work In Progress	16,567,509	8,609,260	7,958,249
3. Total Utility Plant (1 plus 2)	\$ 831,242,767	\$ 485,394,655	\$ 345,848,112
4. Accum. Provision for Depreciation and Amort.	(382,069,812)	(246,768,994)	(135,300,818)
5. Net Utility Plant (3 minus 4)	\$ 449,172,955	\$ 238,625,661	\$ 210,547,294
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	2,541,927	0	2,541,927
11. Special Deposits	125,117	48,035	77,082
12. Accounts Receivable - Net	25,632,460	20,220,869	5,411,591
13. Temporary Intracompany Non-Interest Bearing Balance	7,665,605	0	7,665,605
14. Materials and Supplies	29,426,451	21,996,550	7,429,901
15. Prepayments	802,895	389,361	413,534
16. Other Current & Accrued Assets	8,945,751	8,770,838	174,913
17. Total Current & Accrued Assets (10 thru 16)	\$ 75,140,206	\$ 51,425,653	\$ 23,714,553
18. Deferred Debits	23,491,256	21,701,694	1,789,562
19. Total Assets & Other Debits (5 + 9 + 17 + 18)	\$ 560,114,803	\$ 320,109,483	\$ 240,005,320

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

Balance Sheet, Liabilities & Other Credits

August 2008

	<u>Total</u>	<u>G & T</u>	<u>Distribution</u>
20. Memberships	\$ 1,374,293	\$ 0	\$ 1,374,293
21. Patronage Capital & Margins & Equities	150,151,958	35,931,200	114,220,758
22. Total Margins & Equities (20 plus 21)	\$ 151,526,251	\$ 35,931,200	\$ 115,595,051
23. Long-Term Debt - Bonds (Net)	270,000,000	184,842,000	85,158,000
24. Long-Term Debt - Other (Net)	42,408,573	29,032,909	13,375,664
25. Total Long-Term Debt (23 plus 24)	\$ 312,408,573	\$ 213,874,909	\$ 98,533,664
26. Notes Payable	37,591,892	25,735,409	11,856,483
27. Accounts Payable	7,763,146	4,115,766	3,647,380
28. Temporary Intracompany Non-Interest Bearing Balance	7,665,605	7,665,605	0
29. Consumer Deposits	2,363,986	0	2,363,986
30. Other Current & Accrued Liabilities	39,281,431	32,354,756	6,926,675
31. Total Current & Accrued Liabilities (26 thru 30)	\$ 94,666,060	\$ 69,871,536	\$ 24,794,524
32. Deferred Credits	1,221,210	290,945	930,265
33. Misc Operating Reserves	292,709	140,893	151,816
34. Total Liab & Other Credits (22 + 25 + 31 + 32 + 33)	\$ 560,114,803	\$ 320,109,483	\$ 240,005,320
Equity Ratio	32.66%	14.38%	53.98%

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Questions?