

**CHUGACH ELECTRIC ASSOCIATION, INC.
COMPARATIVE FINANCIAL REPORT
STATEMENT OF OPERATIONS**

CATEGORY	2004 REVISED BUDGET	2004 REVISED FORECAST	2005 PROPOSED BUDGET
REVENUES:			
1. TOTAL REVENUE	196,598,339	200,962,827	217,538,640
EXPENSES:			
2. FUEL EXPENSE	62,684,280	66,569,357	76,282,516
3. POWER PRODUCTION EXPENSE	14,797,651	14,797,651	15,761,827
4. COST OF PURCHASED POWER	20,109,378	19,907,119	23,602,428
5. TRANSMISSION EXPENSE	6,171,570	6,171,570	6,221,818
6. DISTRIBUTION EXPENSE-OPERATIONS	5,077,723	5,077,723	5,260,967
7. DISTRIBUTION EXPENSE-MAINTENANCE	6,739,734	6,739,734	6,591,661
8. CONSUMER ACCOUNTS EXPENSE	4,851,620	4,851,620	4,767,714
9. CUSTOMER SERVICE/INFO EXPENSE	718,117	718,117	855,859
10. SALES EXPENSE	0	0	0
11. ADMINISTRATIVE/GENERAL EXPENSE	19,809,667	19,809,667	18,954,549
12. TOTAL OPERATIONS/MAINTENANCE EXP.	140,959,740	144,642,558	158,299,339
13. DEPRECIATION/AMORTIZATION EXPENSE	28,059,979	27,790,169	28,741,803
14. TAX EXPENSE-OTHER	804,000	759,056	833,700
15. INTEREST-LONG TERM DEBT	22,263,219	21,919,142	22,768,233
16. INTEREST ON CONSTRUCTION-CREDIT	(414,360)	(387,972)	(454,340)
17. INTEREST EXPENSE-OTHER	182,813	(17,554)	96,875
18. OTHER DEDUCTIONS	175,000	433,191	575,000
19. TOTAL COST OF ELECTRIC SERVICE	192,030,391	195,138,590	210,860,610
20. PATRONAGE CAPITAL/OPERATING MARGINS	4,567,948	5,824,237	6,678,030
21. NON-OPERATING MARGINS-INTEREST	315,944	397,600	360,170
22. ALLOWANCE FUNDS USED DURING CONST.	73,122	71,451	80,178
23. NON-OPERATING MARGINS-OTHER	0	0	0
24. GENER./TRANS. CAPITAL CREDITS	0	0	0
25. OTHER CAPITAL CREDITS/DIVIDENDS	800,000	810,489	650,000
26. EXTRAORDINARY ITEMS	0	0	0
27. PATRONAGE CAPITAL OR MARGINS	5,757,014	7,103,777	7,768,378
MFI/I	1.26	1.32	1.34

CHUGACH ELECTRIC ASSOCIATION, INC.
Unbundled Statement of Operations - Budget
2005

Item	Total	G&T ¹	Distribution ²
Operating Revenue and Patronage Capital ⁴	\$217,538,640	\$161,414,733	\$56,123,907
Fuel Expense	\$76,282,516	\$76,282,516	\$0
Power Production Expense	\$15,761,827	\$15,761,827	\$0
Purchased Power Expense	\$23,602,428	\$23,602,428	\$0
Transmission Expense	\$6,221,818	\$6,221,818	\$0
Distribution Expense - Operations	\$5,260,967	\$0	\$5,260,967
Distribution Expense - Maintenance	\$6,591,661	\$0	\$6,591,661
Consumer Accounts Expense	\$4,767,714	\$0	\$4,767,714
Customer Service & Informational Expense	\$855,859	\$0	\$855,859
Administrative & General Expense	\$18,954,549	\$9,437,257	\$9,517,292
Total Operation & Maintenance Expense	\$158,299,339	\$131,305,846	\$26,993,493
Depreciation & Amortization Expense	\$28,741,803	\$18,700,324	\$10,041,479
Tax Expense - Other	\$833,700	\$100,300	\$733,400
Interest on LT Debt	\$22,768,233	\$14,401,193	\$8,367,040
Interest Charged to Construction - Credit	(\$454,340)	(\$246,204)	(\$208,136)
Interest Expense - Other	\$96,875	\$52,496	\$44,379
Other Deductions	\$575,000	\$275,000	\$300,000
Total Cost of Electric Service	\$210,860,610	\$164,588,955	\$46,271,655
Patronage Capital & Operating Margins	\$6,678,030	(\$3,174,223)	\$9,852,253
Non-Operating Margins - Interest	\$360,170	\$98,457	\$261,713
Allowance for Funds Used During Construction	\$80,178	\$43,448	\$36,730
Non-Operating Margins - Other	\$0	\$0	\$0
Generation and Transmission Capital Credits	\$0	\$0	\$0
Other Capital Credits and Patronage Dividends	\$650,000	\$411,133	\$238,867
Extraordinary Items	\$0	\$0	\$0
Patronage Capital or Margins	\$7,768,378	(\$2,621,184)	\$10,389,562
Achieved TIER	1.34	0.82	2.24

¹ G&T includes revenues and costs associated with the production, transmission, the fuel cell project, and the Microwave Business

² Distribution includes revenues and costs associated with customer service.

³ Unbundled revenue from sales based on 2000 test year unbundled rates pursuant to U-01-108(32) and (33).