

INTERMOUNTAIN POWER AGENCY

CONSOLIDATED STATEMENTS OF REVENUES AND EXPENSES FOR THE SIX MONTHS ENDED DECEMBER 31, 2010 AND 2009 (IN THOUSANDS - UNAUDITED)

	2010	2009
OPERATING REVENUES:		
Power sales to participants	\$ 368,823	\$ 374,927
Less credit to participants	(62,146)	(13,130)
Total revenue	<u>306,677</u>	<u>361,797</u>
COAL SALES		17,893
COST OF COAL SALES		<u>18,607</u>
NET GAIN (LOSS) ON COAL SALES	<u>-</u>	<u>(714)</u>
OPERATING EXPENSES:		
Fuel	110,513	133,883
Operation	40,113	34,886
Maintenance	24,613	18,113
Depreciation	24,624	23,916
Taxes and payment in lieu of taxes	8,922	9,813
Total expenses	<u>208,785</u>	<u>220,611</u>
OPERATING INCOME	<u>97,892</u>	<u>140,472</u>
NONOPERATING GAIN (LOSS)	<u>4,922</u>	<u>(2,888)</u>
INTEREST CHARGES:		
Interest on bonds and subordinated notes payable	53,462	66,022
Financing expenses (principally amortization of bond and subordinated note discount, debt expense, and refunding charge on defeasance of debt)	21,354	23,017
Charge on defeasance of debt		1,566
Accretion of asset retirement obligations	666	573
Earnings on investments	(839)	(6,995)
Total interest charges	<u>74,643</u>	<u>84,183</u>
NET COSTS RECOVERED FROM BILLINGS TO PARTICIPANTS	<u>\$ 28,171</u>	<u>\$ 53,401</u>