

INTERMOUNTAIN POWER AGENCY

CONSOLIDATED STATEMENTS OF REVENUES AND EXPENSES FOR THE NINE MONTHS ENDED MARCH 31, 2009 AND 2008 (IN THOUSANDS - UNAUDITED)

| | 2009 | 2008 |
|--|------------------|------------------|
| OPERATING REVENUES: | | |
| Power sales to participants | \$ 528,752 | \$ 519,572 |
| Less credit to participants | <u>(70,180)</u> | <u>(31,135)</u> |
| Total revenue | <u>458,572</u> | <u>488,437</u> |
| COAL SALES | 36,835 | 25,812 |
| COST OF COAL SALES | <u>25,215</u> | <u>28,492</u> |
| NET GAIN (LOSS) ON COAL SALES | <u>11,620</u> | <u>(2,680)</u> |
| OPERATING EXPENSES: | | |
| Fuel | 189,479 | 176,178 |
| Operation | 44,642 | 45,486 |
| Maintenance | 26,997 | 24,590 |
| Depreciation | 35,537 | 35,084 |
| Taxes and payment in lieu of taxes | <u>13,683</u> | <u>16,597</u> |
| Total expenses | <u>310,338</u> | <u>297,935</u> |
| OPERATING INCOME | <u>159,854</u> | <u>187,822</u> |
| NONOPERATING LOSS | <u>(20,735)</u> | <u>(20,969)</u> |
| INTEREST CHARGES: | | |
| Interest on bonds and subordinated notes payable | 100,179 | 106,601 |
| Financing expenses (principally amortization of bond and subordinated note discount, debt expense, and refunding charge on defeasance of debt) | 34,162 | 38,756 |
| Accretion of asset retirement obligations | 859 | 811 |
| Earnings on investments | <u>(16,944)</u> | <u>(18,826)</u> |
| Total interest charges | <u>118,256</u> | <u>127,342</u> |
| NET COSTS RECOVERED FROM BILLINGS TO PARTICIPANTS | <u>\$ 20,863</u> | <u>\$ 39,511</u> |