

INTERMOUNTAIN POWER AGENCY

CONSOLIDATED STATEMENTS OF REVENUES AND EXPENSES FOR THE NINE MONTHS ENDED MARCH 31, 2011 AND 2010 (IN THOUSANDS - UNAUDITED)

	2011	2010
OPERATING REVENUES:		
Power sales to participants	\$ 549,477	\$ 556,692
Less credit to participants	(60,203)	(20,733)
Total revenue	<u>489,274</u>	<u>535,959</u>
COAL SALES		28,550
COST OF COAL SALES		<u>28,193</u>
NET GAIN (LOSS) ON COAL SALES	<u>-</u>	<u>357</u>
OPERATING EXPENSES:		
Fuel	167,652	197,547
Operation	63,961	48,831
Maintenance	39,037	28,348
Depreciation	37,236	36,221
Taxes and payment in lieu of taxes	14,014	15,214
Total expenses	<u>321,900</u>	<u>326,161</u>
OPERATING INCOME	<u>167,374</u>	<u>210,155</u>
NONOPERATING GAIN (LOSS)	<u>5,125</u>	<u>(4,859)</u>
INTEREST CHARGES:		
Interest on bonds and subordinated notes payable	80,346	98,453
Financing expenses (principally amortization of bond and subordinated note discount, debt expense, and refunding charge on defeasance of debt)	32,472	34,683
Charge on defeasance of debt		1,566
Accretion of asset retirement obligations	987	859
Earnings on investments	(1,365)	(9,145)
Total interest charges	<u>112,440</u>	<u>126,416</u>
NET COSTS RECOVERED FROM BILLINGS TO PARTICIPANTS	<u>\$ 60,059</u>	<u>\$ 78,880</u>