

# INTERMOUNTAIN POWER AGENCY

## CONSOLIDATED STATEMENTS OF REVENUES AND EXPENSES FOR THE SIX MONTHS ENDED DECEMBER 31, 2008 AND 2007 (IN THOUSANDS - UNAUDITED)

	2008	2007
OPERATING REVENUES:		
Power sales to participants	\$ 351,304	\$ 346,210
Less credit to participants	<u>(44,398)</u>	<u>(20,275)</u>
Total revenue	<u>306,906</u>	<u>325,935</u>
COAL SALES	24,957	19,967
COST OF COAL SALES	<u>16,246</u>	<u>23,348</u>
NET GAIN (LOSS) ON COAL SALES	<u>8,711</u>	<u>(3,381)</u>
OPERATING EXPENSES:		
Fuel	128,686	118,116
Operation	32,074	32,357
Maintenance	16,964	15,458
Depreciation	23,578	23,295
Taxes and payment in lieu of taxes	<u>9,941</u>	<u>11,009</u>
Total expenses	<u>211,243</u>	<u>200,235</u>
OPERATING INCOME	<u>104,374</u>	<u>122,319</u>
NONOPERATING LOSS	<u>(25,065)</u>	<u>(15,781)</u>
INTEREST CHARGES:		
Interest on bonds and subordinated notes payable	67,865	70,295
Financing expenses (principally amortization of bond and subordinated note discount, debt expense, and refunding charge on defeasance of debt)	22,127	25,698
Accretion of asset retirement obligations	572	541
Earnings on investments	<u>(13,151)</u>	<u>(14,526)</u>
Total interest charges	<u>77,413</u>	<u>82,008</u>
NET COSTS RECOVERED FROM BILLINGS TO PARTICIPANTS	<u>\$ 1,896</u>	<u>\$ 24,530</u>