

# INTERMOUNTAIN POWER AGENCY

## CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2009 AND 2008 (IN THOUSANDS - UNAUDITED)

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from power billings to participants	\$ 183,050	\$ 172,277
Cash received from coal sales	5,380	5,595
Other cash receipts	185	
Cash paid to suppliers	<u>(147,094)</u>	<u>(83,644)</u>
Net cash provided by operating activities	<u>41,521</u>	<u>94,228</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	<u>NONE</u>	<u>NONE</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from issuance of debt		
Defeasance of debt		
Debt issuance costs		(108)
Bond and subordinated note principal paid	(114,341)	(113,248)
Bond and subordinated note interest paid	(46,754)	(48,599)
Payments in aid of construction	(19,586)	(9,670)
Additions to electric plant in service	11,581	
Other	<u>(681)</u>	<u>514</u>
Net cash used in capital and related financing activities	<u>(169,781)</u>	<u>(171,111)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(30,918)	(639,937)
Proceeds from investments	179,665	781,294
Interest on investments	<u>2,582</u>	<u>2,623</u>
Net cash provided by investing activities	<u>151,329</u>	<u>143,980</u>
NET INCREASE (DECREASE) IN SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL	23,069	67,097
SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL:		
Beginning balance	<u>60,947</u>	<u>34,168</u>
Ending balance	<u>\$ 84,016</u>	<u>\$ 101,265</u>

(Continued)

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	2009	2008
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 65,171	\$ 54,852
Other nonoperating income	185	
Depreciation	11,958	11,789
Amortization	1,888	1,707
Financing costs net of amortization of bond and subordinated note discount, debt expense, and refunding charge on defeasance of debt	(204)	(142)
Changes in operating assets and liabilities:		
Receivable from participants	(2,768)	(2,371)
Fuel inventories	(21,004)	10,044
Materials and supplies	(642)	(239)
Other current assets	(2,507)	(5,158)
Accounts payable and accrued liabilities	(17,311)	4,026
Accrued Credit to participants	<u>6,755</u>	<u>19,720</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 41,521</u>	<u>\$ 94,228</u>
		(Concluded)