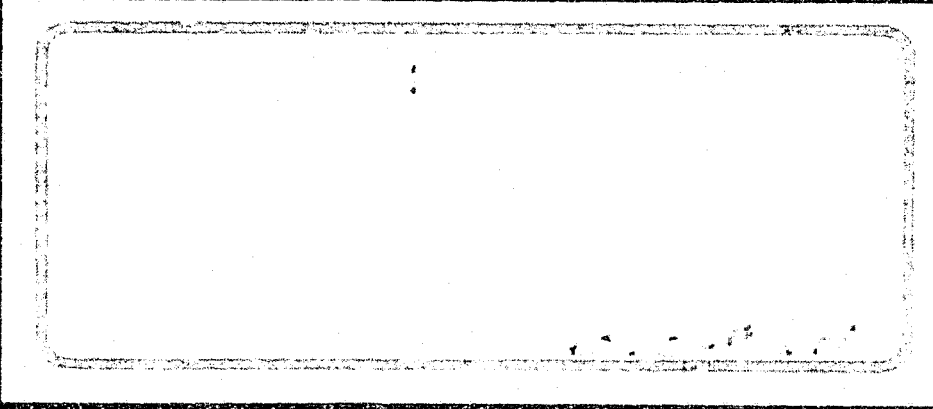


245
Please Return To
DOCUMENT CONTROL



CF.

Attn: *George Volland*
Fairbanks.

RECEIVED

JAN 21 1983

ALASKA POWER AUTHORITY

40

SUSITNA HYDROELECTRIC PROJECT

EBASCO
Joint Venture
Contract Number

248

Please Return To
DOCUMENT CONTROL

TASK 11: FINANCING OPTIONS

Prepared by:
Acres American Incorporated

January 1983



ALASKA POWER AUTHORITY

TABLE OF CONTENTS

	<u>Page</u>
1 - OBJECTIVES -----	1
2 - ECONOMIC CONTEXT OF THE FINANCING PROPOSALS -----	1
3 - BASIC POLICY ISSUES: RISK & TIMING-----	1
4 - THE FINANCING OPTIONS -----	4
The Essential Pre-conditions-----	4
The Financing Options-----	5
Phases and Forms of Borrowing-----	6
Assessment of Financing Options-----	7
The Dedicated Fund Options C & D-----	9
5 - STATEMENT BY THE FIRST BOSTON CORPORATION JOHN NUVEEN & COMPANY, FIRST SOUTHWEST COMPANY -----	11
6 - CONCLUSIONS -----	14

TABLES

Table 1 - CAPITAL FUNDS AVAILABLE FOR SUSITNA - 30th Percentile Projections
Table 2 - CAPITAL FUNDS AVAILABLE FOR SUSITNA - 50th Percentile Projections
Table 3 - SUSITNA SUMMARY OF FINANCING REQUIRE- MENTS IN REAL DOLLARS (1982)
Table 4 - SUSITNA SUMMARY OF FINANCING REQUIRE- MENTS IN NOMINAL DOLLARS

EXHIBITS

Exhibit A - System Costs Avoided by Developing Susitna
Exhibit B - Watana Construction Schedule
Exhibit C - World Oil Price Forecasts
Exhibit D - U.S. Hydroelectric plant Construction Cost Indexes
Exhibit E - Energy Cost Comparison with Various Financing Options

FINANCIAL ANALYSES

Option A - \$1.4 Billion Drawn from Uncommitted State Funds Available for Capital Construction
Option B - \$1.8 Billion Drawn from Uncommitted State Funds Available for Capital Construction
Option C - \$1.4 Billion Drawn from Permanent Fund Income
Option D - \$1.8 Billion Drawn from Permanent Fund Income

ALASKA POWER AUTHORITY
SUSITNA HYDROELECTRIC DEVELOPMENT
FINANCING OPTIONS

1 - OBJECTIVES

The objective of this report is to set out the currently most viable financing options for the Watana phase (1985-1993) of the Susitna Hydroelectric Development together with the comment of the Power Authority's investment advisors (The First Boston Corporation, John Nuveen & Company, and First Southwest Company) on the impact of these options on the credit rating of the State of Alaska and on other related issues.

2 - ECONOMIC CONTEXT OF THE FINANCING PROPOSALS

The economics, marketing and financing of Susitna will be the subject of a final review by Acres American in March of 1983. The data utilized in this analysis however is, with minor modification, based on the Susitna Task 11 Reference Report. Some amendment of the data used here will then arise in the light of the March 1983 review. Our preliminary indications are however that the probable revisions will not materially impact the conclusions which may be based on the results presented in this memorandum.

3 - BASIC POLICY ISSUES: RISK AND TIMING

The Watana phase alone of Susitna will take 10 years (from the present stage of FERC licence application) to complete. It is also clearly apparent that it will not be possible to produce wholly certain forecasts of the underlying energy economics of the project nor of the availability of State revenues or of the competing demands for State resources

which may arise over this extended period. The requirement that such forecasts be produced as an initial pre-condition for authorization of development would therefore effectively preclude Susitna or indeed, any long term development of Alaska's natural resources.

It must also be frankly recognized that risks from erroneous forecasts will arise from proceeding with Watana at its estimated capital cost of \$3.6 billion (1982 dollars). These are primarily risks associated with load forecasts, interest rates, inflation, etc. But it must be recognized also that risks will arise through not proceeding with Susitna since this will force Alaska electric power consumers to face the alternative risks arising from the estimated \$1.7 billion (1982 dollars) of capital cost for fossil fuel plants and the risk that these plants will also require meeting the ever increasing operating costs reflected in Exhibit A. Moreover, these other options also involve risks from forecasting errors in the load forecasts, interest rates, inflation, etc.

In the Watana investment decision, therefore, the issue is not between risk and no risk, or investment and no investment, but only between one set of risks and another and one set of capital expenditures and another. The financing options as developed below therefore endeavor to reflect these risks in a realistic manner and provide for development/financing options which effectively minimize these risks.

It is an inherent characteristic in the very magnitude of their financial requirements and the complex political and economic issues which they pose, that "mega-projects" such as Susitna, have a "window of opportunity" during which they can proceed. If this "window" is missed the opportunity to proceed may not recur for many years.

Ultimate development of the hydroelectric potential of Susitna must be considered as highly probable given the authoritative estimates (see Exhibit C) and forecasts of Alaska's own Department of Revenue of continued significant long term real increase in alternative energy prices. Hence the essential issue is whether we proceed in the immediate future with this window of opportunity or whether the project is postponed-- possibly for a long period. Here, the following considerations must be taken into account:

- (a) On present forecasts, postponement of Susitna wholly delaying its net benefits, would cost \$43 million p.a. in 1982 present value terms.
- (b) The possibility, referred to above, that the "window of opportunity" for Susitna may not recur for a very long period. This could result in the cost of postponement being a multiple of that given in (a).

Finally, we would stress that the Susitna Project would also be re-assessed by the Power Authority in 1984 before any major outlays were undertaken in 1985. By this date we will have two more years of economic and financial data with which to re-evaluate the situation and the uncertainties regarding the scale of the world economic recovery. The existing uncertainty of near-term future petroleum prices and revenues should be substantially reduced.

4 - THE FINANCING OPTIONS

The Essential Pre-conditions

The essential pre-conditions for any financing scheme is taken as the requirement that they meet:

- (a) An acceptable cost of energy in the early years of operation. This is taken as effectively meaning that the cost of power must be close to or below the cost of energy that would result from pursuing the best Thermal Option as shown in Exhibit A.
- (b) Meeting its debt coverage. All the residual financing requirements are assumed to be met (long-term) by borrowing in the form of tax-exempt bond financing at 10% with a coverage requirement of 1.1. This requirement must be met or the borrowing could not be regarded as meeting the basic requirements of acceptability to investors.
- (c) Acceptable and viable levels of borrowing. The level of borrowing which the project requires to be met by G.O. bonds will depend upon the capacity of the State of Alaska to raise G.O. Bonds either without effect on its bond rating or with an effect that is regarded as an acceptable price for proceeding with the project. The other source of borrowing will be Revenue Bonds which, as discussed below, depend upon the power contracts which are in place.
- (d) An acceptable level of demands on the funds available to the State of Alaska. The funds here are taken as the estimate of the uncommitted funds for capital appropriation as estimated by John Nuveen & Company and shown in Tables 1 and 2. (These take into account the estimated maximum G.O. Bonds as a source of funds.)

The Financing Options

A very large number of financing options have been considered. The four options: A, B, C, and D summarized in Tables 3 and 4 appear those most likely to fulfill the essential criteria stated above. These options are:

Option A

This option calls for \$1.4 billion 1982 dollars in State appropriations phased over the period 1984 to 1989. This option may also indirectly involve drawing upon G.O. Bonds since these (see Tables 1 and 2) are built into the final total "available for Susitna". (The phasing of the appropriations year-to-year is, of course, arbitrary in that it can be adapted to the flow of funds represented by the "available for Susitna", providing the total remains the same.)

Option B

This option is precisely identical to that of Option A except that it involves a State appropriation of \$1.8 billion in 1982 dollars phased over the period 1984-1989.

Options C and D

These options involve the concept of dedicated funds of the same magnitude as Option A and B being made available through a constitutional amendment. Since these options are of a markedly different character, they are discussed separately below.

Phases and Forms of Borrowing

Before reviewing the characteristics of the schemes proposed, it is necessary first to deal briefly with the phases and forms which the borrowing may involve.

In the Preliminary Phase between 1985 and 1987, the dam itself will not be under actual construction and only preliminary work will be in progress. Under these circumstances, it must be accepted that no Revenue Bond financing could be obtained and that the project at this stage would have to rely wholly upon State appropriations from the resources shown in Tables 1 and 2.

In the final and major phase of construction between 1989 and 1993 the objective of any financing or scheme must be to ensure that the financing at this stage is based upon Revenue Bonds which, although they will require moral obligation of the State of Alaska, are based on sufficiently rigorous power contracts that they wholly meet their debt coverage requirements when Watana comes into operation and do not to any significant extent rely upon the credit of the State of Alaska.

Whether this objective can be attained will depend first on the levels of State appropriations. This might be seen as the "equity" investment in the project which provides security to the investors and reduces the total amount of borrowing which the project requires.

The second factor is the precise magnitude and terms of the power contracts with the utilities. Since this depends upon detailed negotiations and organizational considerations it is not possible to comment definitively on whether or not the objective of 100% Revenue Bond financing would be possible for the final stage of the Watana development. In what follows, therefore, the Revenue Bond requirement is simply stated as a total sum which follows from the level of State appropriations A, B, C and D.

Hence any financing scheme must be seen at this stage as simply conditional with a key condition being that power contracts providing for such Revenue Bond financing are obtained and are in place before any major capital expenditure is undertaken. Since any significant capital expenditure could not, in any case, take place before the end of 1984 when the FERC license is expected to be granted, there are at least two years during which to secure such power contracts and meet this condition.

Assessment of the Financing Options

Details of the financing options are given in the computer printouts (attached) and the basic details are summarized in Tables 3 and 4 and Attachment E. In order to make the data conform as far as possible with the data on State revenues and the sums described in Tables 1 and 2 as "uncommitted capital funds", the inflation assumptions in the Acres Task 11 March 1982 report, were revised to conform to those of the State revenue projections. Other minor revisions were also made.

Subject to maintaining the State's present double A rating, the assessment of the options given in Table 3 must be seen as a trade-off between the criteria of cost of power and State appropriations, (the higher the State appropriations, the lower the cost of power). Where these objectives are in conflict, it is left to the political decision-makers to resolve this conflict by modification of the criteria.

Considering Option A first, it is seen from Table 3 to involve State appropriations of \$1.4 billion over the six year to 1989 and to require Revenue Bond financing of \$2.7 billion (all in 1982 dollars).

Turning first then to the criterion of acceptability in terms of the percentage of uncommitted capital funds in Tables 1 and 2, this is shown in Table 4 as an average over the appropriation period 1984 to 1989. It varies from 57% for the 30th percentile projections to 38% in the 50th percentile case. It is left, of course, for the political assessment whether the percentages shown are acceptable in the light of other priorities.

No year-by-year figures of this percentage is given since in Acres' assessment the year-by-year engineering estimates of costs are, in the early years, subject to very considerable choice and could be changed significantly with rescheduling if this was thought desirable to reduce the claims on the funds available.

Turning then to the criterion of the cost of power, it is found that this option, because of the high level of borrowing (assuming a 10% rate of

interest), would involve significant deficits during operation in early years unless the cost of power were increased above the level set by the Best Thermal Option.

In these early years the essential problem facing Watana in marketing its power is that, in the first year or two of its life, it is in competition with power sources with the advantage of being based on the cost of facilities purchased years earlier at much lower cost than will be involved either in their replacement or in the additional coal-fired units which would be required in 1995 and 1996 if Watana power were not available.

As shown in Tables 3 and 4 and in Exhibit E, the only means of meeting the deficits without further State appropriations would be to allow the cost of power to rise above the best Thermal Option in these three transitional years. Whether this would be regarded as an acceptable option is again an issue of political judgment. It might reasonably be supposed given that the only alternative option would be to face the dramatically escalating cost of the best Thermal Option only a few years later, the increase in the cost of power above the Best Thermal Option might be acceptable in turn for the very considerable long-term advantages afforded by a source of power which would be virtually fixed in cost even in nominal dollars.

It is also possible that appropriate levelizing provisions could be devised in the rate base to bring about a phased increase in price closer to the price set by the Best Thermal Option ceiling.

Option B might be seen as defining an alternative to any increase in the cost of power by increasing the level of State appropriation to \$1.8 billion over the period 1984 to 1989. This is seen from Table 2 and the attached Exhibit E, to produce a cost of power below the Thermal Option even in the earliest years. It also has the advantage of reducing the Revenue Bond requirement in the Final Phase of Watana by \$0.52 billion (in 1982 dollars). It would, however, mean committing between 50% and 75% of the uncommitted capital funds to the project over the period 1984-1989 and thus heavily competing with other priorities in the 30th percentile revenue forecast case.

The Dedicated Fund Options C & D

A significant difficulty in the development of any long-term financing scheme such as would be required for any long term development of Alaskan resources is the uncertainty of the year-by-year political appropriation process. This applies generally throughout North America, but is of particular relevance in the context of Alaska given the constitutional considerations and the relative importance of appropriations for capital spending in the State.

It is of understandable concern to investors in State of Alaska securities related to long-term developments, that through the political process these projects could be subject to deferral, limitations of State contribution, or even cancellation in the course of their development phase. This may be considered a serious handicap to the long-term development of Alaska's natural resources.

In the light of this, we have been asked to consider the dedication of 50% of the Permanent Fund income to a Power Development Fund which would be designed to provide a relatively more secure and certain source of appropriations for the major long-term development potential for Alaska represented by hydroelectric power and which could offer most Alaskans permanent low-cost power as a basic domestic and industrial resource. This proposal is regarded as representing an important contribution to securing long-term appropriations for such major developments in a manner which would be regarded by investors as offering much greater assurance of on-going systematic development and hence greater security for borrowing in the course of construction.

The scheme, as provisionally formulated, involves the principle of \$4,500 to \$6,000 per capita being the normal contribution from the fund for a

hydro development serving a particular area. In the context of Susitna this would involve a total State appropriation from the fund of approximately \$1.4 to \$1.8 billion. Its results are shown as Options C and D in Tables 3 and 4 and in Exhibit E. Its impact on cost of power and the level of Revenue Bond financing required is seen to be very close to that of Options A and B.

A further important characteristic of this particular proposal, however, is that such funding would provide the Power Authority with a substantial financial base that would make it capable of raising finance or providing guarantees where these were important to secure financing under changing market conditions or secure funding for developments lacking an adequate independent credit base.

It is recognized that this proposal would involve a constitutional amendment, but it is precisely the constitutional nature of such a dedicated fund that would be most effective in terms of development of Alaska's resources.

5 -STATEMENT BY THE FIRST BOSTON CORPORATION,
JOHN NUVEEN & COMPANY, AND FIRST SOUTHWEST COMPANY

The First Boston Corporation and John Nuveen & Company (the Alaska Power Authority's co-senior managing underwriters) and First Southwest Company (the Power Authority's financial advisor) have reviewed the financing options described in this memorandum and have made the following observations regarding the financing of the Susitna Project. Together these investment firms are referred to as the Power Authority's Investment Advisors. Their opinions stated herein are based primarily upon the State's projected revenues using the "30th Percentile". First Boston Corporation, John Nuveen & Company and First Southwest Company have concurred in the following statement:

"It is our opinion that prior to major State expenditures, of State appropriations definitive contractual commitments by participating Railbelt Utilities be in place and that such appropriations should be funded by the State during the period 1983-1989, a period within the estimated life of Alaska's oil and gas reserves, so that appropriations provided during this period will provide the crucial "equity" to assure the most economical bond financing of the remainder of the project.

In view of the magnitude of Susitna and the relatively long construction period, the Power Authority should not commence significant borrowing for Susitna before the late 1980's at which time major risks have been defined and completion and start-up dates are known with a high degree of reliability.

In our opinion, in order to maintain the financial integrity for the State of Alaska, prerequisites for issuance of bonds of any type for the project are:

(a) Definitive contractual commitments by participating Railbelt utilities;

(b) Up-dated economic and financial analysis of the project; and

- (c) Resolution of the question of tax exemption of such bonds.

With regard to the utilization of State G.O. Bonds, it is our opinion that the issuance of such bonds will be of limited importance to financing Susitna because of the substantial borrowing required for this project. If a major portion of such borrowing were met from State G.O. Bonds, Alaska's present double A ratings would be endangered. The following are some major limitations of State G.O. Bonds:

- (1) A crucial feature of Alaska's double A rating is the Rating Agencies' concurrence with the State's present debt policy of amortizing G.O. Bonds rapidly (i.e., within 10 to 15 years (a period within current estimates of oil/gas revenues (the principal source of State revenues) and we believe this policy should be continued.
- (2) Using the State's December, 1982 Department of Revenue forecasts, we estimate that the State can issue a relatively small volume of G.O. Bonds while maintaining it's double A rating (see Tables 1 and 2). Based on the "30th percentile" of the Department of Revenue projections, the State could "safely" issue \$565 million (nominal dollars, assuming 8% inflation) G.O. Bonds during the period fiscal 1983-1990. This amount would rise to \$945 million if the "50th percentile" revenue projections were achieved during this period.

A reduction in the State's rating from double A to single A could correspondingly lower the rating of Alaska Power Authority's own revenue bonds backed by a Capital Reserve Fund with a moral obligation to a rating as low as Baa by Moody's and BBB by Standard & Poors. Such a rating would substantially raise the

Authority's borrowing cost and could impair the viability of the project. The volume of debt contemplated under all scenarios would be extremely difficult to market if rated less than "A".

The Power Authority, rather than utilizing State G.O. Bonds, should utilize, to the fullest extent possible, revenue bonds secured by the income derived from participating Railbelt Utilities pursuant to long-term power sales contracts. Additional security for the bonds would be provided by the Capital Reserve Fund provided in the Alaska Power Authority Act whereby to the extent that revenues from Susitna were insufficient to service the bonds, the Legislature may, but is not legally obligated to, appropriate monies to make up such deficiency in the Capital Reserve Fund. Alaska Power Authority's credit perception will be enhanced by a simple and straightforward debt structure comprised solely of revenue bonds backed by the State's "moral obligation" pledge.

Any dedicated stream of State appropriations covering the entire construction and start-up period will enhance confidence of investors, participating utilities, and the rating agencies in the completion of the project. Such an appropriation would, however, require a constitutional amendment. In conclusion, as Investment Advisors to the Authority, we strongly prefer the financing plan developed as Option B and D which requires greater appropriations prior to issuance of Revenue Bonds because the credit status of the State is least affected and the credit quality of the Authority's bonds is enhanced, maintaining project feasibility. Should oil revenue and projections, however, dramatically improve we would be in a position to more favorably consider alternate financial options."

6 - CONCLUSIONS

Our conclusions relate primarily to Options A and B since the dedicated fund proposals C and D can be seen in the present context as primarily a legislative route to these options.

It may be appropriate in conclusion first to state our own assessment of the decision issues involved at this stage. First, the decision issue is not an irrevocable commitment to proceed with Watana. As already noted, the FERC license will not be available for another two years and no major expenditures could be undertaken until 1985.

It would therefore appear that the essential issue is that of maintaining and planning for the Watana option. The only grounds for not maintaining this option with its very substantial long-term economic advantages, would be that we had concluded that no viable and politically acceptable financing scenario was possible.

Given the very wide range of uncertainties for future State revenues, and hence the levels of State appropriations which might be available at the first point of major commitment in late 1985, such an adverse conclusion certainly cannot be substantiated at this time on the basis of the preceding analysis. If, for example, State revenues were as high or higher than the 50th percentile, the State capital fund available for Watana would be substantially increased and the \$1.4 billion appropriation (Option A) would represent 38% of the uncommitted capital funds over the period 1984-1989. Moreover, the circumstances which would bring about such an increase in State funds--mainly a recovery in world oil prices--would confirm the economic desirability of advancing with Watana and obviating dependence on fuels with prices related to that of oil.

We must also note again that the levels of spending in individual years used in the analysis was constructed on normal engineering criteria without reference to phasing the engineering expenditures to conform (without significant additional cost) to year-to-year budget constraints.

Subject to political decisions and priorities, therefore, our assessment is that all the financing options proposed in this memorandum are viable. In consequence, we recommend that over the two-year decision period to 1984, the remaining preconditions of financing viability, both political and contractual (in terms of power contracts and tax exempt bond financing) are resolved. A reconsideration of the financing options might then be undertaken in 1984 when, as already noted, some of the major economic uncertainties affecting the economics of generation options and the revenues of the State of Alaska are also likely to be resolved. It should also be possible within this time frame to review the time profile of potential cash demands for construction and bring them more closely into conformity with available appropriations.

If this conclusion were adopted, it might also be considered appropriate, in order to avoid undue "bunching" of demands for Susitna financing, to establish a level of funding for the project of the order of perhaps \$100 million in FY 1984. This, in our view, would be seen as a positive step which should appreciably assist in the negotiations of power contracts since it would indicate the State's conditional intent to proceed with the project. This would give such negotiations the credibility essential to a successful outcome.

TABLES

ALASKA POWER AUTHORITY
CAPITAL FUNDS AVAILABLE FOR SUSITNA
30th PERCENTILE PROJECTION

Fiscal Year	General Fund Unrestricted Revenues (1)	Total Capital Spending Limits	Estimated Maximum G.O. Bond Issues (2)	Total Available Capital	Committed Capital Grants and Loans (8%)	Remaining Capital	APA Capital Budget Excluding Susitna	Uncommitted Capital Funds	Planned Susitna Expenditures (nom. \$) (3)
1984	2908.2	969	0	969	475	494	174.2	320	0
1985	2939.9	980	0	980	513	467	244.5	222	183
1986	3472.9	1158	300	1458	554	904	282.3	622	405
1987	3870.4	1290	90	1380	598	782	125.8	656	437
1988	3917.0	1306	125	1431	646	785	0	785	442
1989	4293.8	1431	0	1431	698	733	0	733	639
1990	3679.9	1227	50	1277	754	523	0	523	1121
1991	3295.9	1099	140	1239	814	425	0	425	1270
1992	3186.4	1062	0	1062	879	183	0	183	862
1993	2919.4	973	110	1083	950	133	0	133	584
1994	2779.0	926	0	926	1025	0	0	0	0

(1) 30th percentile projection of Department of Revenue net of Debt Service on the State G.O. Debt.

(2) Maximum General Obligation Debt that can be issued (10 year, equal annual principal amortization at 7.5%) and keep total G.O. Bond Debt Service below 5% of General Fund Unrestricted Revenues.

(3) Source: Acres American Incorporated (Converted to June 30 Fiscal Year).

TABLE 1



ALASKA POWER AUTHORITY
CAPITAL FUNDS AVAILABLE FOR SUSITNA
50th PERCENTILE PROJECTION

Fiscal Year	General Fund Unrestricted Revenues (1)	Total Capital Spending Limits	Estimated Maximum G.O. Bond Issues (2)	Total Available Capital	Committed Capital Grants and Loans (8%)	Remaining Capital	APA Capital Budget Excluding Susitna	Uncommitted Capital Funds	Planned Susitna Expenditures (nom. \$) (3)
1984	3369	1123	0	1123	475	648	174.2	474	0
1985	3492	1164	350	1514	513	1001	244.5	757	183
1986	4116	1372	190	1562	554	1008	282.3	726	405
1987	4553	1518	95	1613	598	1015	125.8	889	437
1988	4645	1548	235	1783	646	1137	0	1137	442
1989	5103	1701	50	1751	698	1053	0	1053	639
1990	4848	1616	25	1641	754	887	0	887	1121
1991	4345	1448	160	1608	814	794	0	794	1270
1992	4221	1407	35	1442	879	563	0	563	862
1993	4017	1339	170	1509	950	559	0	559	584
1994	3957	1319	0	1319	1025	294	0	294	0

(1) 50th percentile projection of Department of Revenue net of Debt Service on the State G.O. Debt.

(2) Maximum General Obligation Debt that can be issued (10 year, equal annual principal amortization at 7.5%) and keep total G.O. Bond Debt Service below 5% of General Fund Unrestricted Revenues.

(3) Source: Acres American Incorporated (Converted to June 30 Fiscal Year).

TABLE 2



SUSITNA-SUMMARY OF FINANCING REQUIREMENTS

-----REAL 1982 DOLLARS-----

	STATE APPROPRIATION TAKEN AS NEEDED				DEDICATED STATE APPROPRIATION			
	+-----\$1.4 BN-----+		+-----\$1.8 BN-----+		+-----\$1.4 BN-----+		+-----\$1.8 BN-----+	
	(REAL)		(REAL)		(REAL)		(REAL)	
	DEBT	STATE APPROP.	DEBT	STATE APPROP.	DEBT	STATE APPROP.	DEBT	STATE APPROP.
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
1983	-	-	-	-	-	160	-	160
1984	-	81	-	81	-	222	-	222
1985	-	225	-	225	-	276	-	276
1986	-	336	-	336	-	318	-	318
1987	-	317	-	317	-	345	-	345
1988	-	306	-	306	-	79	-	378
1989	409	94	9	535	337	-	-	101
1990	884	-	847	-	878	-	770	-
1991	757	-	718	-	750	-	710	-
1992	505	-	466	-	498	-	457	-
1993	146	-	146	-	146	-	146	-
	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL	2701	1400	2186	1800	2609	1400	2083	1800
	=====	=====	=====	=====	=====	=====	=====	=====

COST OF ENERGY TO MEET 1.1 DEBT SERVICE COVER AND PERCENT IN EXCESS OF BEST THERMAL OPTION

	MILLS		MILLS		MILLS		MILLS	
	-----		-----		-----		-----	
1993	74	46 %	61	17 %	72	41 %	58	14 %
1994	77	25 %	64	5 %	75	22 %	62	-
1995	73	21 %	61	1 %	70	17 %	58	-
1996	72	-	57	-	69	-	55	-
1998	68	-	54	-	65	-	51	-
1999	63	-	51	-	61	-	48	-
2000	60	-	48	-	57	-	46	-

TABLE 3 -- SUSITNA: SUMMARY OF FINANCING REQUIREMENTS IN REAL TERMS



SUSITNA-SUMMARY OF FINANCING REQUIREMENTS

-----**NOMINAL DOLLARS**-----

	STATE APPROPRIATION TAKEN AS NEEDED				DEDICATED STATE APPROPRIATION			
	-----\$1.4 BN-----		-----\$1.8 BN-----		-----\$1.4 BN-----		-----\$1.8 BN-----	
	(REAL)		(REAL)		(REAL)		(REAL)	
	DEBT	STATE APPROP.	DEBT	STATE APPROP.	DEBT	STATE APPROP.	DEBT	STATE APPROP.
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
1983	-	-	-	-	-	175	-	175
1984	-	100	-	100	-	257	-	257
1985	-	276	-	276	-	338	-	338
1986	-	436	-	436	-	413	-	413
1987	-	437	-	437	-	475	-	475
1988	-	447	-	447	-	115	-	552
1989	633	208	13	828	522	-	-	157
1990	1465	-	1403	-	1454	-	1275	-
1991	1341	-	1274	-	1329	-	1259	-
1992	958	-	883	-	945	-	868	-
1993	296	-	296	-	296	-	296	-
	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL	4693	1904	3869	2524	4546	1773	3698	2367
	=====	=====	=====	=====	=====	=====	=====	=====

PERCENTAGE OF UNCOMMITTED
STATE CAPITAL FUNDS

38 to 57 %

50 to 75 %

COST OF ENERGY TO MEET 1.1 DEBT SERVICE COVER AND PERCENT IN EXCESS OF BEST THERMAL OPTION

	MILLS		MILLS		MILLS		MILLS	
	-----		-----		-----		-----	
1993	150	46 %	123	17 %	145	41 %	118	14 %
1994	168	25 %	140	5 %	163	22 %	134	-
1995	169	21 %	141	1 %	164	17 %	135	-
1996	179	-	143	-	172	-	137	-
1998	180	-	144	-	173	-	137	-
1999	181	-	145	-	175	-	139	-
2000	182	-	147	-	176	-	140	-

NOTE: PERCENTAGE OF UNCOMMITTED FUNDS CALCULATED FROM 30 AND 50 PERCENTILE PROJECTIONS

TABLE 4 -- SUSITNA: SUMMARY OF FINANCING
REQUIREMENTS IN NOMINAL TERMS.



EXHIBITS

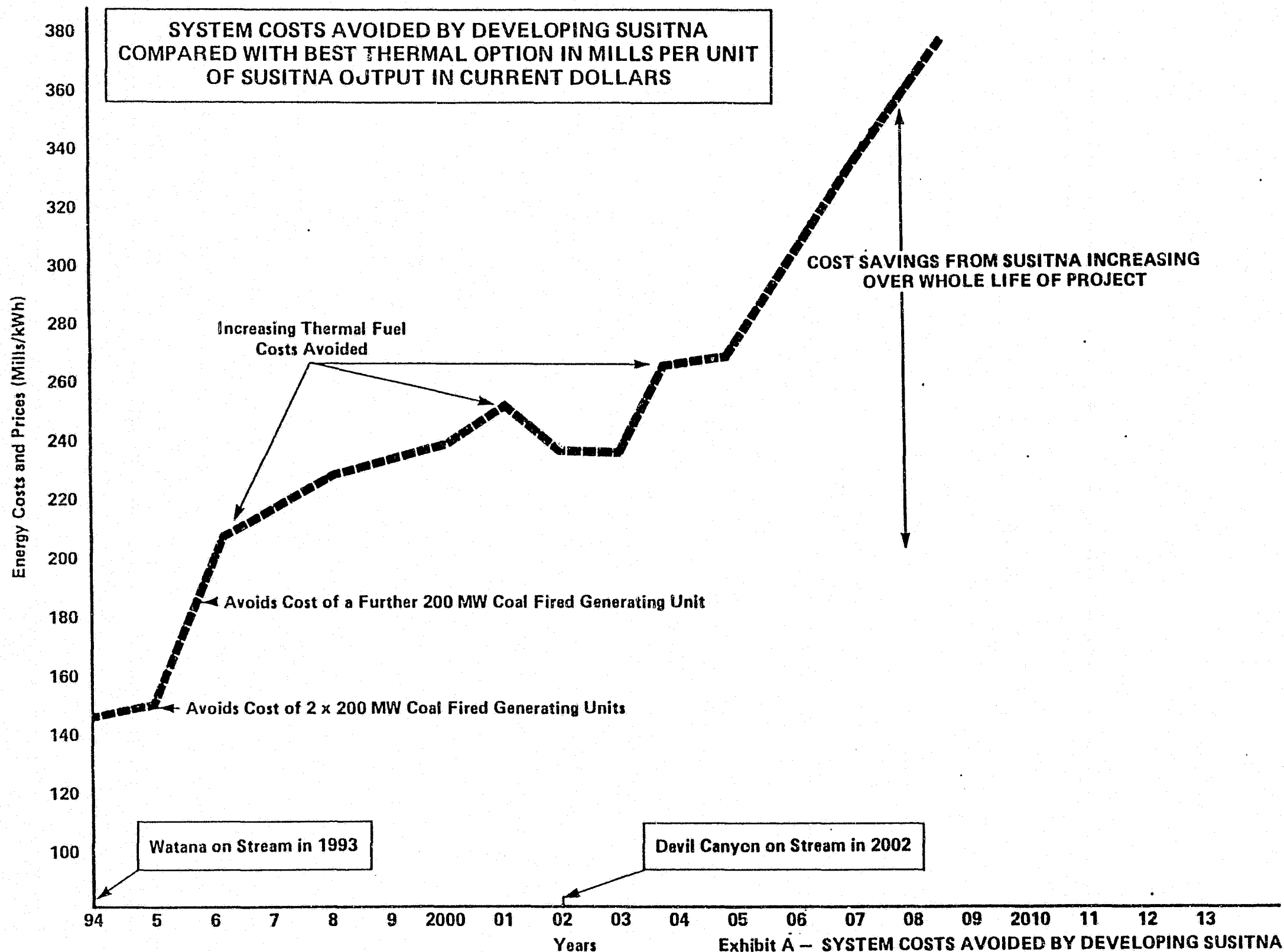


Exhibit A – SYSTEM COSTS AVOIDED BY DEVELOPING SUSITNA



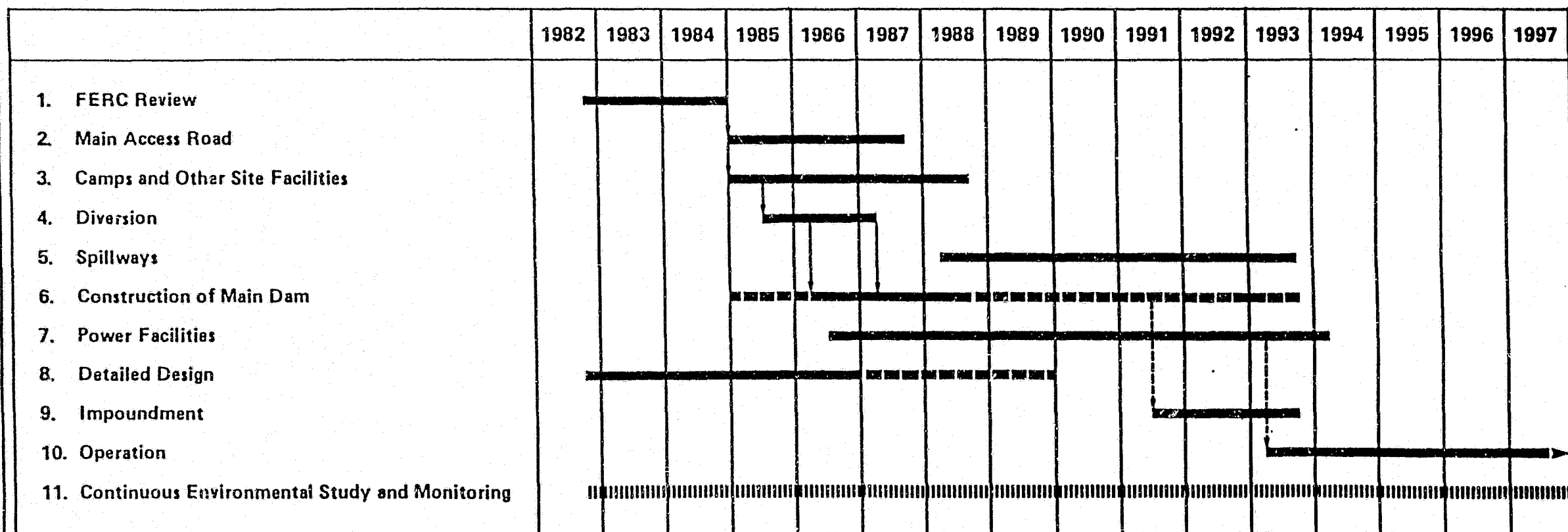
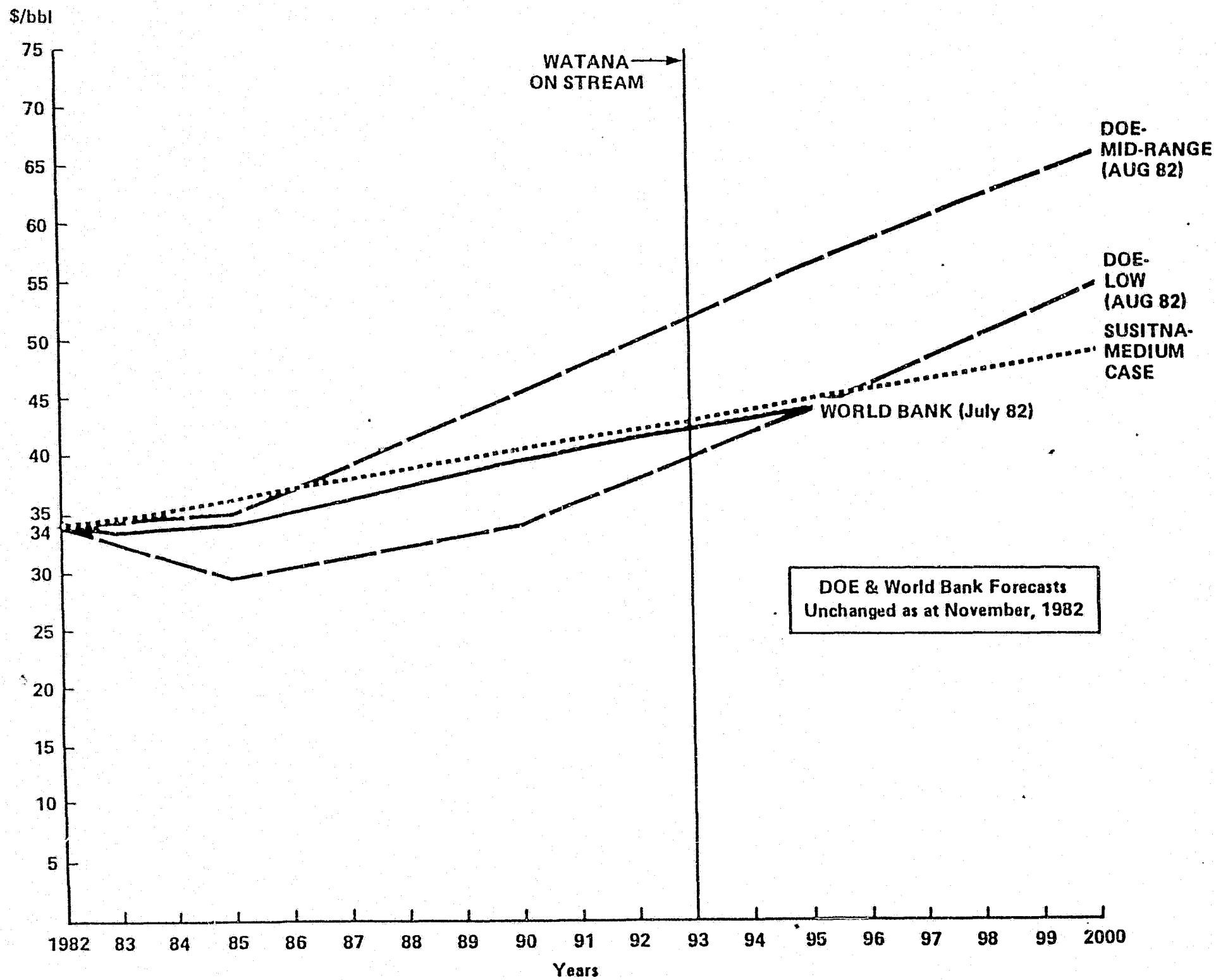
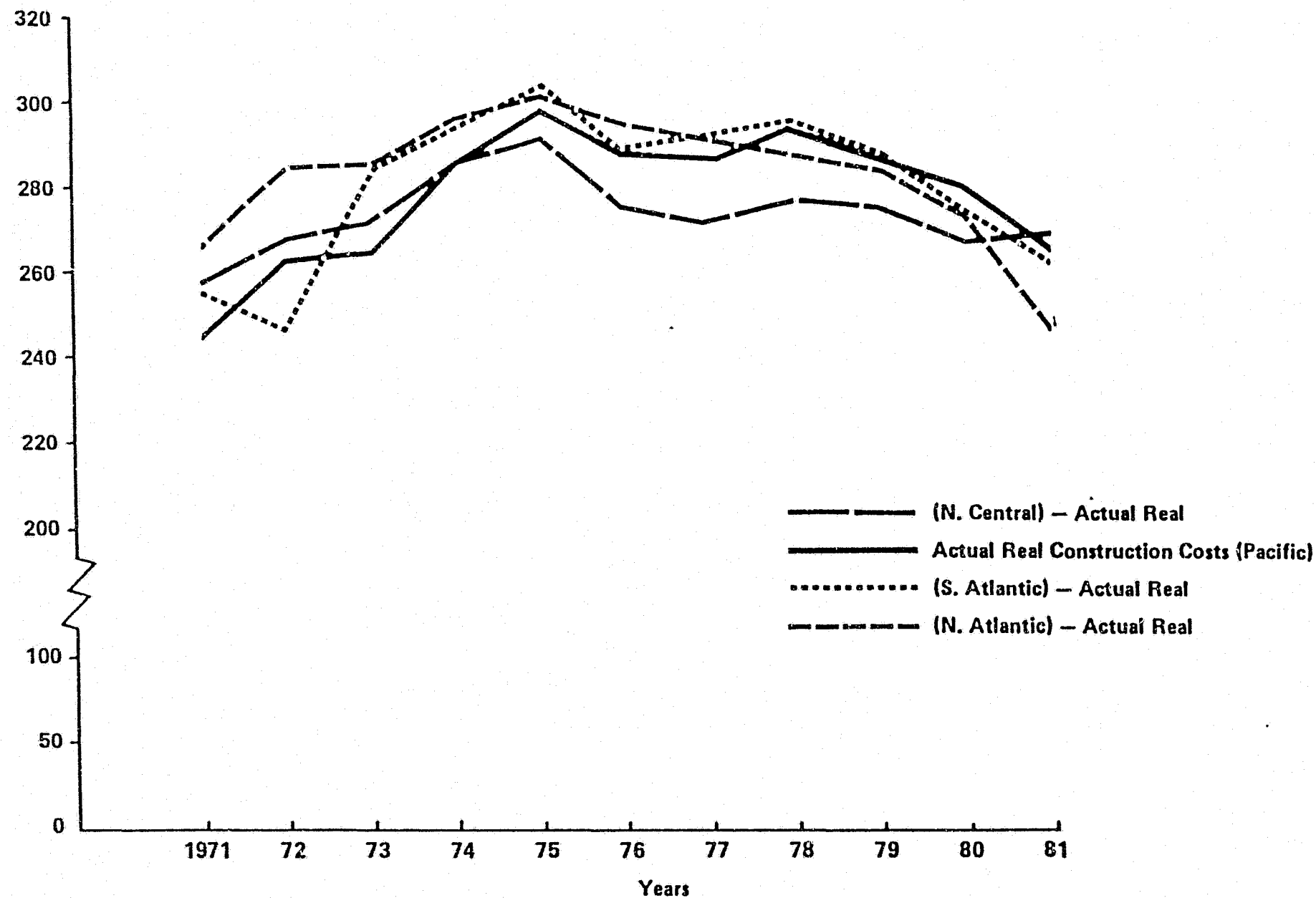


EXHIBIT B -- WATANA CONSTRUCTION SCHEDULE





(Constant)
Index
1949 = 100



Source: ENR Utilities, December 17, 1981 for
nominal costs;
Monthly Labor Review, US Dept. of Labor
November, 1982 for Consumer Price Index

EXHIBIT D -- US HYDROELECTRIC PLANT CONSTRUCTION
COST INDEXES

ACRES

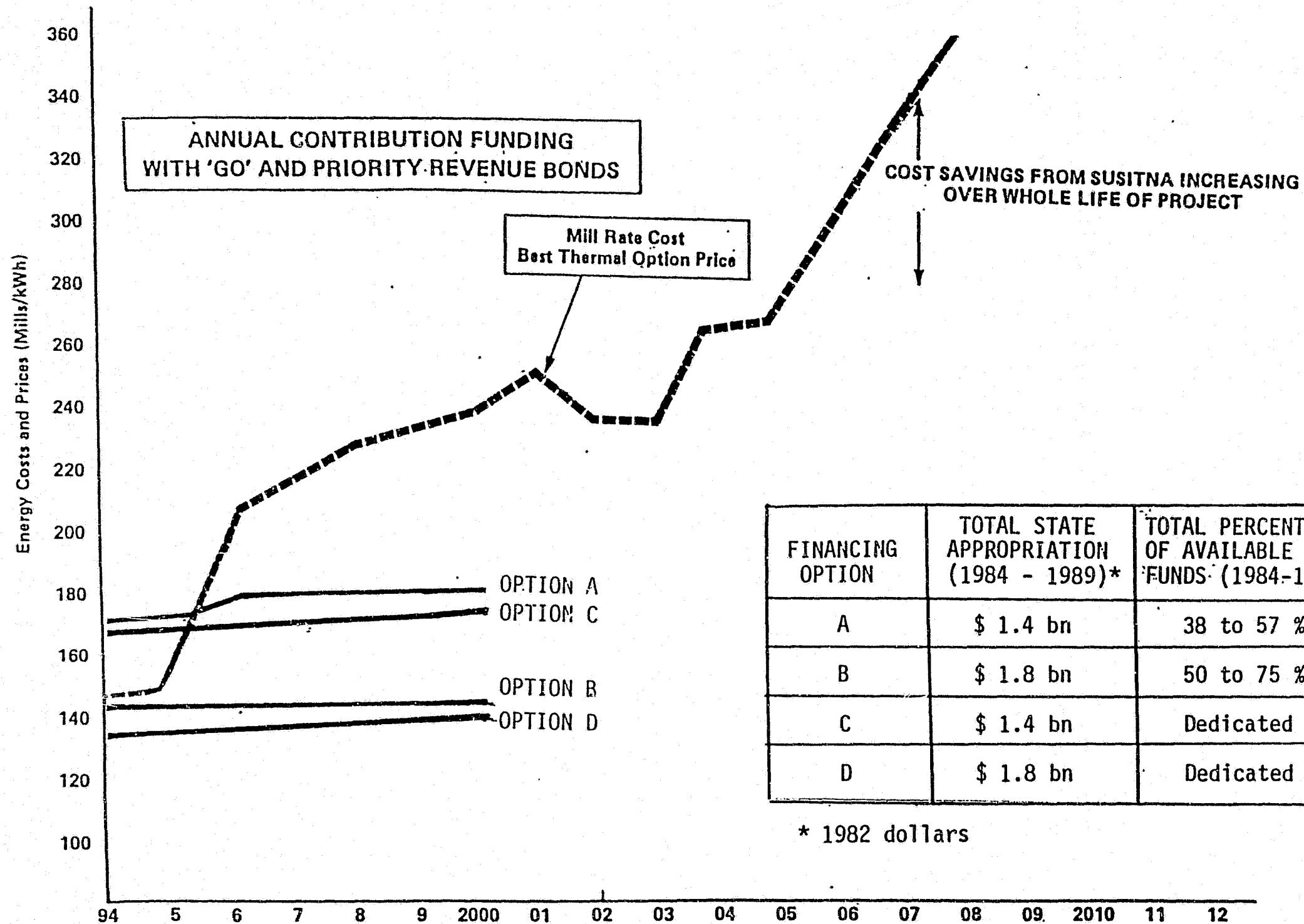


EXHIBIT E
ENERGY COST COMPARISON
WITH VARIOUS FINANCING OPTIONS



FINANCIAL ANALYSES

 DATA10M5.D11 WATANA (ON LINE 1993)- STATE FUNDS TO 1989 (\$1.4 BN)- INFLATION 62.7%-INTEREST 10%-CAPCOST \$3.647 BN 8-JAN-83

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
CASH FLOW SUMMARY ==(\$MILLION)==										
73 ENERGY GWH	0	0	0	0	0	0	0	0	338.7	338.7
521 REAL PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.93	61.60
466 INFLATION INDEX	122.62	129.98	137.78	146.05	154.81	165.65	177.24	189.65	202.92	217.13
520 PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	103.34	133.76
-----INCOME-----										
516 REVENUE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	350.0	453.0
170 LESS OPERATING COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.1	27.3
517 OPERATING INCOME	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	324.9	425.7
214 ADD INTEREST EARNED ON FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.3
550 LESS INTEREST ON SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.6
391 LESS INTEREST ON LONG TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	439.7	469.3
548 NET EARNINGS FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-114.7	-59.0
-----CASH SOURCE AND USE-----										
548 CASH INCOME FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-114.7	-59.0
446 STATE CONTRIBUTION	375.7	436.1	437.2	447.4	208.2	0.0	0.0	0.0	0.0	0.0
143 LONG TERM DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	632.6	1464.8	1341.6	957.8	411.1	102.0
248 WORCAP DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
549 TOTAL SOURCES OF FUNDS	375.7	436.1	437.2	447.4	840.8	1464.8	1341.6	957.8	387.8	58.5
320 LESS CAPITAL EXPENDITURE	375.7	436.1	437.2	447.4	840.8	1464.8	1341.6	957.8	296.4	25.7
448 LESS WORCAP AND FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
260 LESS DEBT REPAYMENTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	17.3
395 LESS PAYMENT TO STATE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
141 CASH SURPLUS(DEFICIT)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
249 SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
444 CASH RECOVERED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-----BALANCE SHEET-----										
225 RESERVE AND CONT. FUND	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	52.6	57.4
371 OTHER WORKING CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	38.8	49.4
451 CASH SURPLUS RETAINED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
370 CUM. CAPITAL EXPENDITURE	375.7	811.8	1248.9	1696.3	2537.1	4002.0	5343.5	6301.3	6597.7	6623.4
465 CAPITAL EMPLOYED	375.7	811.8	1248.9	1696.3	2537.1	4002.0	5343.5	6301.3	6597.7	6730.3
461 STATE CONTRIBUTION	375.7	811.8	1248.9	1696.3	1904.5	1904.5	1904.5	1904.5	1904.5	1904.5
462 RETAINED EARNINGS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-114.7	-173.8
555 DEBT OUTSTANDING-SHORT TERM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	106.8
554 DEBT OUTSTANDING-LONG TERM	0.0	0.0	0.0	0.0	632.6	2097.4	3439.0	4396.8	4807.9	4892.7
542 ANNUAL DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	408.6	884.3	756.9	505.0	202.6	47.0
543 CUM. DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	408.6	1292.9	2049.8	2554.9	2757.5	2804.5
519 DEBT SERVICE COVER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.74	0.84

Option A -- \$1.4 Billion Drawn From Uncommitted State
 Funds Available For Capital Construction
 Page 1 of 2



 DATA10M5.D11 WATANA (ON LINE 1993)- STATE FUNDS TO 1989 (\$1.4 BN)- INFLATION 6%,7%-INTEREST 10%-CAPCOST \$3.647 BN 8-JAN-83

	1995	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
CASH FLOW SUMMARY ==(\$MILLION)==										
73 ENERGY GWH	3387	3387	3387	3387	3387	3387	3387	3387	3387	37257
521 REAL PRICE-MILLS	60.24	71.94	67.56	63.34	59.44	55.81	52.45	49.36	46.51	0.00
466 INFLATION INDEX	232.33	248.59	265.99	284.61	304.53	325.85	348.66	373.07	399.18	0.00
520 PRICE-MILLS	139.96	178.84	179.71	180.28	181.02	181.87	182.87	194.15	185.64	0.00
-----INCOME-----										
516 REVENUE	474.0	605.7	608.6	610.6	613.1	615.9	619.3	623.7	628.7	6202.6
170 LESS OPERATING COSTS	29.8	32.6	35.6	36.8	42.3	46.2	50.4	55.1	60.1	443.3
517 OPERATING INCOME	444.2	573.1	573.1	571.8	570.7	577.7	568.9	568.6	568.7	5759.3
214 ADD INTEREST EARNED ON FUNDS	5.7	6.3	6.8	7.5	8.1	8.9	9.7	10.6	11.6	80.5
550 LESS INTEREST ON SHORT TERM DEBT	32.4	42.8	43.2	42.4	41.9	41.5	41.3	41.7	42.4	390.1
391 LESS INTEREST ON LONG TERM DEBT	467.6	465.7	463.6	461.3	458.7	456.0	452.9	449.5	445.8	5030.1
548 NET EARNINGS FROM OPERS	-50.1	70.9	73.1	75.6	78.2	81.2	84.5	88.0	92.0	419.7
-----CASH SOURCE AND USE-----										
548 CASH INCOME FROM OPERS	-50.1	70.9	73.1	75.6	78.2	81.2	84.5	88.0	92.0	419.7
446 STATE CONTRIBUTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1904.5
143 LONG TERM DEBT DRAWDOWNS	96.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5006.6
248 WORCAP DEBT DRAWDOWNS	7.7	24.6	10.5	11.2	10.2	9.9	13.5	14.4	15.3	224.2
549 TOTAL SOURCES OF FUNDS	54.3	95.5	83.6	86.8	88.4	91.1	98.0	102.4	107.3	7555.0
320 LESS CAPITAL EXPENDITURE	27.5	29.4	31.5	33.7	36.1	38.6	41.3	44.2	47.3	3953.0
448 LESS WORCAP AND FUNDS	7.7	24.6	10.5	11.2	10.2	9.9	13.5	14.4	15.3	224.2
260 LESS DEBT REPAYMENTS	19.0	22.1	24.3	26.8	29.4	32.4	35.6	39.2	43.1	289.2
395 LESS PAYMENT TO STATE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
141 CASH SURPLUS(DEFICIT)	0.0	19.3	17.3	15.1	12.8	10.2	7.6	4.7	1.6	88.6
249 SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
444 CASH RECOVERED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-----BALANCE SHEET-----										
225 RESERVE AND CONT. FUND	62.7	68.4	74.7	81.5	88.9	97.1	105.9	115.6	126.2	126.2
371 OTHER WORKING CAPITAL	51.9	70.8	75.0	79.4	82.2	83.9	88.6	93.3	98.0	98.0
454 CASH SURPLUS RETAINED	0.0	19.3	36.6	51.7	64.5	74.7	82.3	87.0	88.6	88.6
370 CUM. CAPITAL EXPENDITURE	6651.0	6680.4	6711.9	6745.6	6781.7	6820.3	6861.6	6905.7	6953.0	6953.0
465 CAPITAL EMPLOYED	6765.5	6838.9	6898.2	6958.2	7017.2	7076.0	7138.3	7201.6	7265.8	7265.8
461 STATE CONTRIBUTION	1904.5	1904.5	1904.5	1904.5	1904.5	1904.5	1904.5	1904.5	1904.5	1904.5
462 RETAINED EARNINGS	-223.8	-152.9	-79.8	-4.2	74.0	155.2	239.7	327.7	419.7	419.7
555 DEBT OUTSTANDING-SHORT TERM	114.6	139.2	149.7	160.9	171.1	181.0	194.5	208.9	224.2	224.2
554 DEBT OUTSTANDING-LONG TERM	4970.2	4948.1	4923.8	4897.0	4867.6	4835.2	4799.6	4760.5	4717.4	4717.4
542 ANNUAL DEBT DRAWDOWN \$1982	41.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2846.0
543 CUM. DEBT DRAWDOWN \$1982	2846.0	2846.0	2846.0	2846.0	2846.0	2846.0	2846.0	2846.0	2846.0	2846.0
519 DEBT SERVICE COVER	0.86	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	0.00

 DATA10MS.D11 WATANA (ON LINE 1993)- STATE FUNDS TO 1989 (\$1.8 BN)- INFLATION 62.7%-INTEREST 10%-CAPCOST \$3.647 BN 8-JAN-83

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
CASH FLOW SUMMARY ---(\$MILLION)---										
73 ENERGY GWH	0	0	0	0	0	0	0	0	3387	3387
521 REAL PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.93	61.60
466 INFLATION INDEX	122.62	129.98	137.78	146.05	154.81	165.65	177.24	189.65	202.92	217.13
520 PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	103.34	133.76
-----INCOME-----										
516 REVENUE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	350.0	453.0
170 LESS OPERATING COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.1	27.3
517 OPERATING INCOME	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	324.9	425.7
214 ADD INTEREST EARNED ON FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.3
550 LESS INTEREST ON SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.4
391 LESS INTEREST ON LONG TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	357.3	386.9
548 NET EARNINGS FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-32.3	31.6
-----CASH SOURCE AND USE-----										
548 CASH INCOME FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-32.3	31.6
446 STATE CONTRIBUTION	375.7	436.1	437.2	447.4	827.4	0.0	0.0	0.0	0.0	0.0
143 LONG TERM DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	13.3	1402.9	1273.5	882.9	328.7	8.3
248 WORCAP DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
549 TOTAL SOURCES OF FUNDS	375.7	436.1	437.2	447.4	840.8	1402.9	1273.5	882.9	387.8	55.4
320 LESS CAPITAL EXPENDITURE	375.7	436.1	437.2	447.4	840.8	1402.9	1273.5	882.9	296.4	25.7
448 LESS WORCAP AND FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
260 LESS DEBT REPAYMENTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14.3
395 LESS PAYMENT TO STATE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
141 CASH SURPLUS(DEFICIT)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
249 SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
444 CASH RECOVERED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-----BALANCE SHEET-----										
225 RESERVE AND CONT. FUND	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	52.6	57.4
371 OTHER WORKING CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	38.8	49.4
454 CASH SURPLUS RETAINED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
370 CUM. CAPITAL EXPENDITURE	375.7	811.8	1248.9	1696.3	2537.1	3940.0	5213.5	6096.4	6392.8	6418.5
465 CAPITAL EMPLOYED	375.7	811.8	1248.9	1696.3	2537.1	3940.0	5213.5	6096.4	6484.1	6525.3
461 STATE CONTRIBUTION	375.7	811.8	1248.9	1696.3	2523.8	2523.8	2523.8	2523.8	2523.8	2523.8
462 RETAINED EARNINGS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-32.3	-0.7
555 DEBT OUTSTANDING-SHORT TERM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	106.8
554 DEBT OUTSTANDING-LONG TERM	0.0	0.0	0.0	0.0	13.3	1416.3	2689.7	3572.6	3901.3	3895.4
542 ANNUAL DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	8.6	846.9	718.5	465.5	162.0	3.8
543 CUM. DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	8.6	855.5	1574.0	2039.5	2201.5	2205.4
519 DEBT SERVICE COVER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.91	1.04

Option B -- \$1.8 Billion Drawn From Uncommitted State
 Funds Available For Capital Construction
 Page 1 of 2

ACRES

 DATA10M5.D11 WATANA (ON LINE 1993)- STATE FUNDS TO 1989 (\$1.8 BN)- INFLATION 6%,7%-INTEREST 10%-CAPCOST \$3.647 BN 8-JAN-83

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
CASH FLOW SUMMARY ==(\$MILLION)==										
73 ENERGY GWH	0	0	0	0	0	0	0	0	3387	3387
521 REAL PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.93	61.60
466 INFLATION INDEX	122.52	129.98	137.78	146.05	154.81	165.65	177.24	189.65	202.92	217.13
520 PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	103.34	133.76
-----INCOME-----										
516 REVENUE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	350.0	453.0
170 LESS OPERATING COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.1	27.3
517 OPERATING INCOME	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	324.9	425.7
214 ADD INTEREST EARNED ON FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.3
550 LESS INTEREST ON SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.4
391 LESS INTEREST ON LONG TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	357.3	386.9
548 NET EARNINGS FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-32.3	31.6
-----CASH SOURCE AND USE-----										
548 CASH INCOME FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-32.3	31.6
446 STATE CONTRIBUTION	375.7	436.1	437.2	447.4	827.4	0.0	0.0	0.0	0.0	0.0
143 LONG TERM DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	13.3	1402.9	1273.5	882.9	328.7	8.3
248 WORCAP DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
549 TOTAL SOURCES OF FUNDS	375.7	436.1	437.2	447.4	840.8	1402.9	1273.5	882.9	387.8	55.4
320 LESS CAPITAL EXPENDITURE	375.7	436.1	437.2	447.4	840.8	1402.9	1273.5	882.9	296.4	25.7
448 LESS WORCAP AND FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
260 LESS DEBT REPAYMENTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14.3
395 LESS PAYMENT TO STATE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
141 CASH SURPLUS(DEFICIT)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
249 SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
444 CASH RECOVERED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-----BALANCE SHEET-----										
225 RESERVE AND CONT. FUND	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	52.6	57.4
371 OTHER WORKING CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	38.8	49.4
454 CASH SURPLUS RETAINED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
370 CUM. CAPITAL EXPENDITURE	375.7	811.8	1248.9	1696.3	2537.1	3940.0	5213.5	6096.4	6392.8	6418.5
465 CAPITAL EMPLOYED	375.7	811.8	1248.9	1696.3	2537.1	3940.0	5213.5	6096.4	6484.1	6525.3
461 STATE CONTRIBUTION	375.7	811.8	1248.9	1696.3	2523.8	2523.8	2523.8	2523.8	2523.8	2523.8
462 RETAINED EARNINGS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-32.3	-0.7
555 DEBT OUTSTANDING-SHORT TERM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	106.8
554 DEBT OUTSTANDING-LONG TERM	0.0	0.0	0.0	0.0	13.3	1416.3	2689.7	3572.6	3901.3	3895.4
542 ANNUAL DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	8.6	846.9	718.5	465.5	162.0	3.8
543 CUM. DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	8.6	855.5	1574.0	2039.5	2201.5	2205.4
519 DEBT SERVICE COVER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.91	1.04

Option B -- \$1.8 Billion Drawn From Uncommitted State
 Funds Available For Capital Construction
 Page 1 of 2

ACRES

 DATA10MS.D11 WATANA (ON LINE 1993)- STATE FUNDS TO 1989 (\$1.8 BN)- INFLATION 6%,7%-INTEREST 10%-CAPCOST \$3.647 BN 8-JAN-83

	1995	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
CASH FLOW SUMMARY ---(\$MILLION)---										
73 ENERGY GWH	3387	3387	3387	3387	3387	3387	3387	3387	3387	37257
521 REAL PRICE-HILLS	60.24	57.33	54.00	50.76	47.76	44.98	42.39	40.03	37.85	0.00
466 INFLATION INDEX	232.33	248.59	265.99	284.61	304.53	325.85	348.66	373.07	399.19	0.00
520 PRICE-HILLS	139.96	142.51	143.63	144.46	145.45	146.55	147.81	149.34	151.08	0.00
-----INCOME-----										
516 REVENUE	474.0	482.6	486.4	489.3	492.6	496.3	500.6	505.8	511.7	5242.3
170 LESS OPERATING COSTS	29.8	32.6	35.6	38.8	42.3	46.2	50.4	55.1	60.1	443.3
517 OPERATING INCOME	444.2	450.1	450.9	450.5	450.2	450.1	450.1	450.7	451.6	4799.0
214 ADD INTEREST EARNED ON FUNDS	5.7	6.3	6.8	7.5	8.1	8.9	9.7	10.6	11.6	80.5
550 LESS INTEREST ON SHORT TERM DEBT	14.7	14.9	16.3	16.4	16.9	17.5	18.3	19.7	21.5	168.6
391 LESS INTEREST ON LONG TERM DEBT	385.5	383.9	382.2	380.3	378.2	375.9	373.4	370.6	367.5	4141.5
548 NET EARNINGS FROM OPERS	49.7	57.6	59.3	61.2	63.3	65.6	68.2	71.0	74.1	569.4
-----CASH SOURCE AND USE-----										
548 CASH INCOME FROM OPERS	49.7	57.6	59.3	61.2	63.3	65.6	68.2	71.0	74.1	569.4
446 STATE CONTRIBUTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2523.8
143 LONG TERM DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3909.7
248 WORCAP DEBT DRAWDOWNS	7.7	24.6	10.5	11.2	10.2	9.9	13.5	14.4	15.3	224.2
549 TOTAL SOURCES OF FUNDS	57.4	82.2	69.8	72.4	73.5	75.6	81.7	85.4	89.4	7227.0
320 LESS CAPITAL EXPENDITURE	27.5	29.4	31.5	33.7	36.1	38.6	41.3	44.2	47.3	6748.0
448 LESS WORCAP AND FUNDS	7.7	24.6	10.5	11.2	10.2	9.9	13.5	14.4	15.3	224.2
260 LESS DEBT REPAYMENTS	15.7	17.4	19.2	21.1	23.2	25.5	28.1	30.9	34.0	229.2
395 LESS PAYMENT TO STATE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
141 CASH SURPLUS(DEFICIT)	6.5	10.7	8.6	6.4	4.1	1.5	-1.1	-4.0	-7.1	25.5
249 SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
444 CASH RECOVERED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-----BALANCE SHEET-----										
225 RESERVE AND CONT. FUND	62.7	68.4	74.7	81.5	88.9	97.1	105.9	115.6	126.2	126.2
371 OTHER WORKING CAPITAL	51.9	70.8	75.0	79.4	82.2	83.9	88.6	93.3	98.0	98.0
454 CASH SURPLUS RETAINED	6.5	17.2	25.8	32.2	36.3	37.8	36.7	32.6	25.5	25.5
370 CUM. CAPITAL EXPENDITURE	6446.0	6475.4	6506.9	6540.6	6576.7	6615.3	6656.6	6700.8	6748.0	6748.0
465 CAPITAL EMPLOYED	6567.0	6631.8	6682.4	6733.8	6784.1	6834.1	6887.8	6942.3	6997.8	6997.8
461 STATE CONTRIBUTION	2523.8	2523.8	2523.8	2523.8	2523.8	2523.8	2523.8	2523.8	2523.8	2523.8
462 RETAINED EARNINGS	49.0	106.6	165.9	227.1	290.4	356.1	424.3	495.3	569.4	569.4
555 DEBT OUTSTANDING-SHORT TERM	114.6	139.2	149.7	160.9	171.1	181.0	194.5	208.9	224.2	224.2
554 DEBT OUTSTANDING-LONG TERM	3879.7	3862.2	3843.1	3822.0	3798.8	3773.3	3745.2	3714.4	3680.4	3680.4
542 ANNUAL DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2205.4
543 CUM. DEBT DRAWDOWN \$1982	2205.4	2205.4	2205.4	2205.4	2205.4	2205.4	2205.4	2205.4	2205.4	2205.4
519 DEBT SERVICE COVER	1.08	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	0.00

 DATA10M5.D11 WATANA (ON LINE 1993)-\$1.4 BN STATE FUNDS (PER 30% SCHED)- INFLATION 6X,7X-INTEREST 10%-CAPCOST \$3.647 8-JAN-83

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
CASH FLOW SUMMARY ---(\$MILLION)---										
73 ENERGY GWH	0	0	0	0	0	0	0	0	3387	3387
521 REAL PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.93	61.60
466 INFLATION INDEX	122.62	129.98	137.78	146.05	154.81	165.65	177.24	189.65	202.92	217.13
520 PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	103.34	133.76
-----INCOME-----										
516 REVENUE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	350.0	453.0
170 LESS OPERATING COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.1	27.3
517 OPERATING INCOME	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	324.9	425.7
214 ADD INTEREST EARNED ON FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.3
550 LESS INTEREST ON SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19.1
391 LESS INTEREST ON LONG TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	424.9	454.6
548 NET EARNINGS FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	-42.8
-----CASH SOURCE AND USE-----										
548 CASH INCOME FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.0	-42.8
446 STATE CONTRIBUTION	806.8	413.3	475.3	115.4	0.0	0.0	0.0	0.0	0.0	0.0
143 LONG TERM DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	521.8	1453.8	1329.4	944.4	396.4	85.3
248 WORCAP DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
549 TOTAL SOURCES OF FUNDS	806.8	413.3	475.3	115.4	521.8	1453.8	1329.4	944.4	387.8	57.9
320 LESS CAPITAL EXPENDITURE	373.3	390.5	389.2	390.9	811.8	1453.8	1329.4	944.4	296.4	25.7
448 LESS WORCAP AND FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
260 LESS DEBT REPAYMENTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.8
395 LESS PAYMENT TO STATE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
141 CASH SURPLUS(DEFICIT)	433.5	22.8	86.1	-275.5	-290.0	0.0	0.0	0.0	0.0	0.0
249 SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
444 CASH RECOVERED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-----BALANCE SHEET-----										
225 RESERVE AND CONT. FUND	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	52.6	57.4
371 OTHER WORKING CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	38.8	49.4
454 CASH SURPLUS RETAINED	456.6	479.4	565.5	290.0	0.0	0.0	0.0	0.0	0.0	0.0
370 CUM. CAPITAL EXPENDITURE	373.3	763.8	1153.0	1543.9	2355.7	3809.4	5138.8	6083.2	6379.6	6405.3
465 CAPITAL EMPLOYED	829.9	1243.2	1718.5	1833.9	2355.7	3809.4	5138.8	6083.2	6471.0	6512.1
461 STATE CONTRIBUTION	806.8	1220.1	1695.4	1810.8	1810.8	1810.8	1810.8	1810.8	1810.8	1810.8
462 RETAINED EARNINGS	23.1	23.1	23.1	23.1	23.1	23.1	23.1	23.1	-76.9	-119.7
555 DEBT OUTSTANDING-SHORT TERM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	106.8
551 DEBT OUTSTANDING-LONG TERM	0.0	0.0	0.0	0.0	521.8	1975.5	3304.9	4249.3	4645.7	4714.2
542 ANNUAL DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	337.0	877.6	750.0	498.0	195.3	39.3
543 CUM. DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	337.0	1214.6	1964.7	2462.6	2658.0	2697.2
519 DEBT SERVICE COVER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.76	0.87

Option C -- \$1.4 Billion Dedicated From
 Permanent Fund Income
 Page 1 of 2



 DATA10MS.D11 WATANA (ON LINE 1993)-11.4 BN STATE FUNDS (PER 30% SCHED)- INFLATION 6%,7%-INTEREST 10%-CAPCOST \$3.647 8-JAN-83

	1995	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
CASH FLOW SUMMARY ==(\$MILLION)==										
73 ENERGY GWH	3387	3387	3387	3387	3387	3387	3387	3387	3387	37257
521 REAL PRICE-MILLS	60.24	69.32	65.13	61.09	57.35	53.87	50.65	47.69	44.96	0.00
466 INFLATION INDEX	232.33	248.59	265.99	284.61	304.53	325.85	348.66	373.07	399.18	0.00
520 PRICE-MILLS	139.96	172.33	173.25	173.87	174.65	175.55	176.60	177.92	179.46	0.00
-----INCOME-----										
516 REVENUE	474.0	583.7	586.7	588.9	591.5	594.5	598.1	602.6	607.8	6030.7
179 LESS OPERATING COSTS	29.8	32.6	35.6	38.8	42.3	46.2	50.4	55.1	60.1	443.3
517 OPERATING INCOME	444.2	551.1	551.2	550.1	549.2	548.3	547.6	547.5	547.7	5587.4
214 ADD INTEREST EARNED ON FUNDS	5.7	6.3	6.8	7.5	8.1	8.9	9.7	10.6	11.6	80.5
550 LESS INTEREST ON SHORT TERM DEBT	29.2	37.8	38.4	37.8	37.4	37.2	37.2	37.7	38.7	350.5
391 LESS INTEREST ON LONG TERM DEBT	452.9	451.0	449.0	446.8	444.3	441.6	438.7	435.4	431.8	4671.0
548 NET EARNINGS FROM OPERS	-32.2	68.5	70.6	73.0	75.6	78.4	81.5	85.0	88.8	446.4
-----CASH SOURCE AND USE-----										
548 CASH INCOME FROM OPERS	-32.2	68.5	70.6	73.0	75.6	78.4	81.5	85.0	88.8	446.4
446 STATE CONTRIBUTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1810.8
143 LONG TERM DEBT DRAWDOWNS	78.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4809.1
248 WORCAP DEBT DRAWDOWNS	7.7	24.6	10.5	11.2	10.2	9.9	13.5	14.4	15.3	224.2
549 TOTAL SOURCES OF FUNDS	53.7	93.1	81.1	84.2	85.7	88.3	95.0	99.4	104.1	7290.5
320 LESS CAPITAL EXPENDITURE	27.5	29.4	31.5	33.7	36.1	38.6	41.3	44.2	47.3	6734.9
448 LESS WORCAP AND FUNDS	7.7	24.6	10.5	11.2	10.2	9.9	13.5	14.4	15.3	224.2
260 LESS DEBT REPAYMENTS	18.4	21.3	23.4	25.7	28.3	31.1	34.3	37.7	41.4	278.4
395 LESS PAYMENT TO STATE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
141 CASH SURPLUS(DEFICIT)	0.0	17.8	15.7	13.5	11.2	8.7	6.0	3.1	0.0	53.0
249 SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
444 CASH RECOVERED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-----BALANCE SHEET-----										
225 RESERVE AND CONT. FUND	62.7	68.4	74.7	81.5	88.9	97.1	105.9	115.6	126.2	126.2
371 OTHER WORKING CAPITAL	51.9	70.8	75.0	79.4	82.2	83.9	88.6	93.3	98.0	98.0
454 CASH SURPLUS RETAINED	0.0	17.8	33.5	47.1	58.3	67.0	73.0	76.1	76.1	76.1
370 CUM. CAPITAL EXPENDITURE	6432.8	6462.3	6493.8	6527.5	6563.5	6602.1	6643.4	6687.6	6734.9	6734.9
465 CAPITAL EMPLOYED	6547.4	6619.2	6677.0	6735.5	6792.9	6850.1	6910.9	6972.6	7035.2	7035.2
461 STATE CONTRIBUTION	1810.8	1810.8	1810.8	1810.8	1810.8	1810.8	1810.8	1810.8	1810.8	1810.8
462 RETAINED EARNINGS	-151.9	-83.4	-12.7	60.2	135.8	214.2	295.8	380.7	469.5	469.5
555 DEBT OUTSTANDING-SHORT TERM	114.6	139.2	149.7	160.9	171.1	181.0	194.5	208.9	224.2	224.2
554 DEBT OUTSTANDING-LONG TERM	4773.9	4752.6	4729.3	4703.5	4675.2	4644.1	4609.8	4572.1	4530.7	4530.7
542 ANNUAL DEBT DRAWDOWN \$1982	33.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2730.9
543 CUM. DEBT DRAWDOWN \$1982	2730.9	2730.9	2730.9	2730.9	2730.9	2730.9	2730.9	2730.9	2730.9	2730.9
519 DEBT SERVICE COVER	0.89	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	0.00

 DATA10M5.D11 WATANA (ON LINE 1993)-\$1.8 BN STATE FUNDS (PER 30% SCHED)- INFLATION 6%,7%-INTEREST 10%-CAPCOST \$3.647 B-JAN-83

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
CASH FLOW SUMMARY ==(\$MILLION)==										
73 ENERGY GWH	0	0	0	0	0	0	0	0	3387	3387
521 REAL PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.93	61.60
466 INFLATION INDEX	122.62	129.98	137.78	146.05	154.81	165.65	177.24	189.65	202.92	217.13
520 PRICE-MILLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	103.34	133.76
-----INCOME-----										
516 REVENUE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	350.0	453.0
170 LESS OPERATING COSTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.1	27.3
517 OPERATING INCOME	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	324.9	425.7
214 ADD INTEREST EARNED ON FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.3
550 LESS INTEREST ON SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.7
391 LESS INTEREST ON LONG TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	340.2	369.8
548 NET EARNINGS FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-15.2	50.4
-----CASH SOURCE AND USE-----										
548 CASH INCOME FROM OPERS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-15.2	50.4
446 STATE CONTRIBUTION	806.8	413.3	475.3	552.1	156.4	0.0	0.0	0.0	0.0	0.0
143 LONG TERM DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	0.0	1275.1	1259.3	867.3	311.6	0.0
248 WORCAP DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
549 TOTAL SOURCES OF FUNDS	806.8	413.3	475.3	552.1	156.4	1275.1	1259.3	867.3	387.8	65.9
320 LESS CAPITAL EXPENDITURE	373.3	390.5	389.2	390.9	768.1	1390.1	1259.3	867.3	296.4	25.7
448 LESS WORCAP AND FUNDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	15.5
260 LESS DEBT REPAYMENTS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.6
395 LESS PAYMENT TO STATE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
141 CASH SURPLUS(DEFICIT)	433.5	22.8	86.1	161.2	-611.7	-115.0	0.0	0.0	0.0	11.1
249 SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
444 CASH RECOVERED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-----BALANCE SHEET-----										
225 RESERVE AND CONT. FUND	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	52.6	57.4
371 OTHER WORKING CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	38.8	49.4
454 CASH SURPLUS RETAINED	456.6	479.4	565.5	726.7	115.0	0.0	0.0	0.0	0.0	11.1
370 CUM. CAPITAL EXPENDITURE	373.3	763.8	1153.0	1543.9	2312.0	3702.1	4961.4	5828.8	6125.2	6150.9
465 CAPITAL EMPLOYED	829.9	1243.2	1718.5	2270.6	2427.0	3702.1	4961.4	5828.8	6216.5	6268.8
461 STATE CONTRIBUTION	806.8	1220.1	1695.4	2247.5	2403.9	2403.9	2403.9	2403.9	2403.9	2403.9
462 RETAINED EARNINGS	23.1	23.1	23.1	23.1	23.1	23.1	23.1	23.1	7.9	58.3
555 DEBT OUTSTANDING-SHORT TERM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	91.4	106.8
554 DEBT OUTSTANDING-LONG TERM	0.0	0.0	0.0	0.0	0.0	1275.1	2534.4	3401.8	3713.4	3899.7
542 ANNUAL DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	0.0	769.7	710.5	457.3	153.6	0.0
543 CUM. DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	0.0	769.7	1480.3	1937.6	2091.2	2091.2
519 DEBT SERVICE COVER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.96	1.10

Option D -- \$1.8 Billion Dedicated From
 Permanent Fund Income
 Page 1 of 2



 DATA10M5.D11 WATANA (ON LINE 1993)-\$1.8 BN STATE FUNDS (PER 30% SCHED)- INFLATION 6%,7%-INTEREST 10%-CAPCOST \$3.647 8-JAN-83

	1995	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
CASH FLOW SUMMARY ---(\$MILLION)---										
73 ENERGY GWH	3387	3387	3387	3387	3387	3387	3387	3387	3387	37257
521 REAL PRICE-HILLS	58.08	54.51	51.39	48.34	45.52	42.89	40.46	38.24	36.19	0.00
466 INFLATION INDEX	232.33	248.59	265.99	284.61	304.53	325.85	348.66	373.07	399.18	0.00
520 PRICE-HILLS	134.94	135.52	136.69	137.57	138.61	139.77	141.08	142.66	144.46	0.00
-----INCOME-----										
516 REVENUE	457.0	459.0	462.9	465.9	469.5	473.4	477.8	483.2	489.2	5040.9
170 LESS OPERATING COSTS	29.8	32.6	35.6	38.8	42.3	46.2	50.4	55.1	60.1	443.3
517 OPERATING INCOME	427.2	426.4	427.4	427.1	427.1	427.1	427.4	428.1	429.2	4597.5
214 ADD INTEREST EARNED ON FUNDS	5.7	6.3	6.8	7.5	8.1	8.9	9.7	10.6	11.6	80.5
550 LESS INTEREST ON SHORT TERM DEBT	11.1	10.8	12.4	12.7	13.4	14.1	15.2	16.8	18.8	135.9
391 LESS INTEREST ON LONG TERM DEBT	368.5	367.0	365.3	363.5	361.5	359.3	356.9	354.2	351.3	3957.3
548 NET EARNINGS FROM OPERS	33.4	54.9	56.6	58.4	60.4	62.6	65.0	67.7	70.6	584.9
-----CASH SOURCE AND USE-----										
548 CASH INCOME FROM OPERS	53.4	54.9	56.6	58.4	60.4	62.6	65.0	67.7	70.6	584.9
446 STATE CONTRIBUTION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2403.9
143 LONG TERM DEBT DRAWDOWNS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3713.4
248 WORCAP DEBT DRAWDOWNS	7.7	24.6	10.5	11.2	10.2	9.9	13.5	14.4	15.3	224.2
549 TOTAL SOURCES OF FUNDS	61.1	79.6	67.1	69.6	70.6	72.5	78.5	82.1	86.0	6926.3
320 LESS CAPITAL EXPENDITURE	27.5	29.4	31.5	33.7	36.1	38.6	41.3	44.2	47.3	6480.4
448 LESS WORCAP AND FUNDS	7.7	24.6	10.5	11.2	10.2	9.9	13.5	14.4	15.3	224.2
260 LESS DEBT REPAYMENTS	15.0	16.6	18.2	20.0	22.1	24.3	26.7	29.3	32.3	218.1
393 LESS PAYMENT TO STATE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
141 CASH SURPLUS(DEFICIT)	10.8	8.9	6.9	4.6	2.3	-0.2	-2.9	-5.8	-8.9	3.6
249 SHORT TERM DEBT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
444 CASH RECOVERED	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
-----BALANCE SHEET-----										
225 RESERVE AND CONT. FUND	62.7	68.4	74.7	81.5	88.9	97.1	105.9	115.6	126.2	126.2
371 OTHER WORKING CAPITAL	51.9	70.8	75.0	79.4	82.2	83.9	88.6	93.3	98.0	98.0
454 CASH SURPLUS RETAINED	21.9	30.8	37.7	42.3	44.6	44.4	41.4	35.6	26.7	26.7
370 CUM. CAPITAL EXPENDITURE	6178.4	6207.8	6239.3	6273.0	6309.1	6347.7	6389.0	6433.2	6480.4	6480.4
465 CAPITAL EMPLOYED	6314.9	6377.8	6426.7	6476.3	6524.8	6573.1	6624.9	6677.6	6731.3	6731.3
461 STATE CONTRIBUTION	2403.9	2403.9	2403.9	2403.9	2403.9	2403.9	2403.9	2403.9	2403.9	2403.9
462 RETAINED EARNINGS	111.7	166.6	223.2	281.6	342.0	404.6	469.6	537.3	608.0	608.0
555 DEBT OUTSTANDING-SHORT TERM	114.6	139.2	149.7	160.9	171.1	181.0	194.5	208.9	224.2	224.2
554 DEBT OUTSTANDING-LONG TERM	3684.7	3668.2	3649.9	3629.9	3607.8	3583.6	3556.9	3527.6	3495.3	3495.3
542 ANNUAL DEBT DRAWDOWN \$1982	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2091.2
543 CUM. DEBT DRAWDOWN \$1982	2091.2	2091.2	2091.2	2091.2	2091.2	2091.2	2091.2	2091.2	2091.2	2091.2
519 DEBT SERVICE COVER	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	0.00