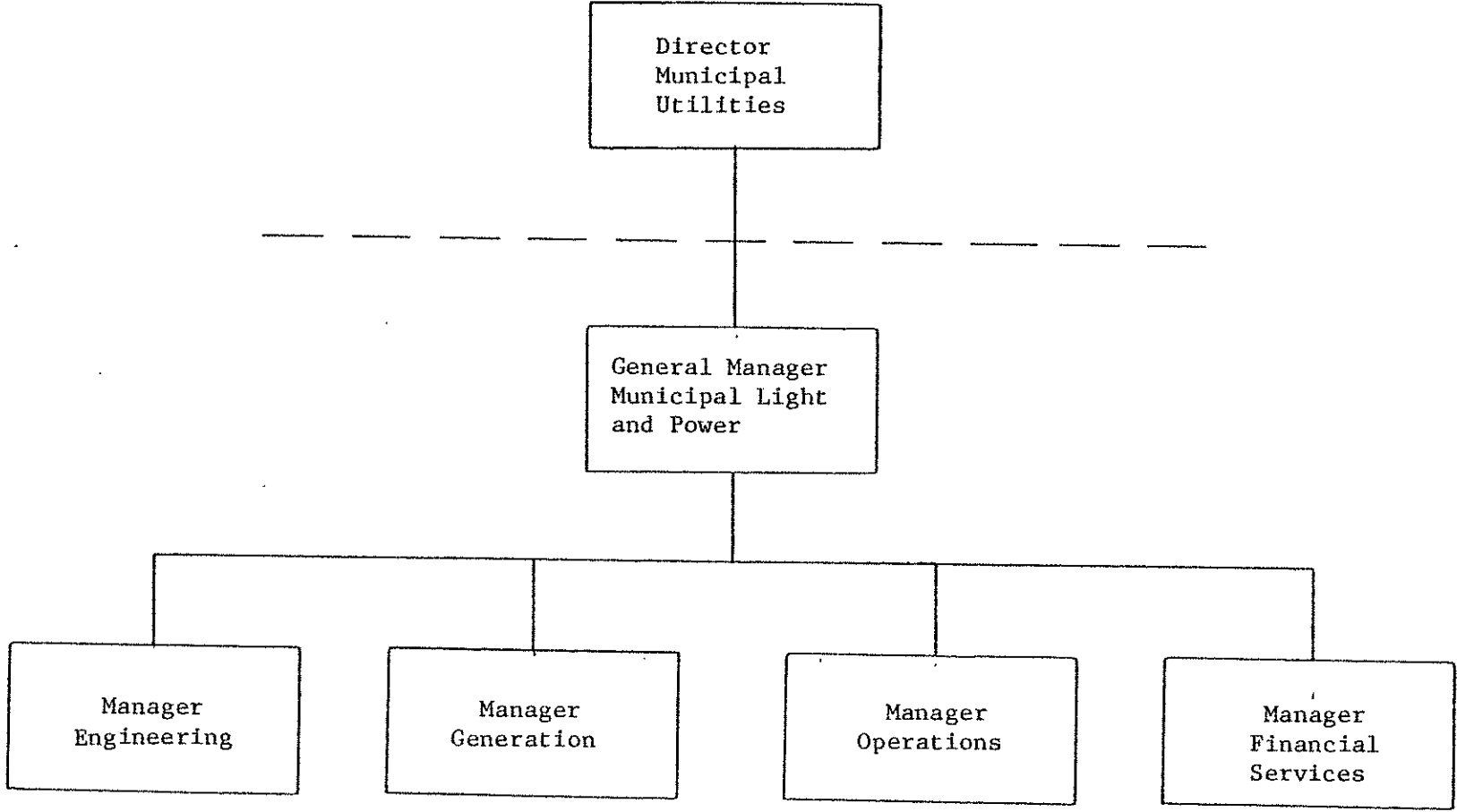


Department	Unit No.	Division	Unit No.	Section	Unit No.
MUNICIPAL UTILITIES	8003	MUNICIPAL LIGHT AND POWER	8500		



Department	Unit No.	Division	Unit No.	Section	Unit No.
Municipal Utilities	8000	Municipal Light and Power	8500		

The Electric Utility (Municipal Light and Power Department) of the Municipality was purchased by the City of Anchorage in 1932 from the Alaska Engineering Commission, the agency of the U.S. Department of the Interior which constructed the Alaska Railroad and in 1916 installed the electric system in Anchorage.

Municipal Light and Power, as part of the Municipal Utility group, is under the supervision of the Executive Manager, Municipal Utilities and is subject to the regulatory powers of the Alaska Public Utilities Commission.

The Municipal Light and Power Commission was created by the City of Anchorage on April 22, 1963, and is composed of five members appointed to three-year terms by the Mayor and confirmed by the Assembly. The Commission annually appoints one of its members as Chairman and another as Vice Chairman. The General Manager of the Electric Utility serves as Executive Secretary.

The Commission may review the electric system and its operations for the purpose of developing recommendations for improvements, expansions, and economics in the system for the consideration of the Mayor and Assembly.

When the Utility's Unit No. 7 waste heat boiler is brought completely on-line in October, 1980, the Utility will have completed the George M. Sullivan combined cycle plant consisting of two gas turbines and one steam turbine driven by the waste heat from the two gas turbines.

Items in the 1981 Capital Improvement Program include no major generation projects other than normal turbine overhaul and some upgrades. In the distribution system, there are the standard improvements for additional projected growth, road widening projects, some downtown upgrade on the 34KV underground system, a higher than average capital outlay to improve system reliability, and continued upgrade of the transmission system to 115KV.

Department	Unit No.	Division	Unit No.	Section	Unit No.
MUNICIPAL UTILITIES	8000	MUNICIPAL LIGHT AND POWER	8500		

MUNICIPAL LIGHT AND POWER
SUMMARY OPERATING STATEMENT

	1980 <u>PROFORMA</u>	1981 MAYOR <u>RECOMMENDED</u>	1981 ASSEMBLY <u>APPROVED</u>
OPERATING INCOME	\$19,051,250	\$19,625,450	\$19,625,450
OPERATING EXPENSE	<u>17,387,030</u>	<u>17,749,770</u>	<u>17,775,750</u>
OPERATING INCOME	<u>1,664,220</u>	<u>1,875,680</u>	<u>1,849,700</u>
NON-OPERATING INCOME	778,300	607,750	607,750
NON-OPERATING EXPENSE	<u>4,225,330</u>	<u>4,849,140</u>	<u>4,849,140</u>
NON-OPERATING INCOME	(3,447,030)	(4,241,390)	(4,241,390)
RESTRICTED INTEREST INCOME	<u>336,000</u>	<u>700,000</u>	<u>700,000</u>
NET INCOME INCLUDING RESTRICTIONS	<u><u>\$ (1,446,810)</u></u>	<u><u>\$ (1,665,710)</u></u>	<u><u>\$ (1,691,690)</u></u>

MUNICIPALITY OF ANCHORAGE

COMMENTARY

Department	Unit No.	Division	Unit No.	Section	Unit No.
Municipal Utilities	8003	Municipal Light and Power	8500		

Account Number	LINE ITEM EXPLANATION	1979	1980	1981		
		ACTUAL	PROFORMA	DEPARTMENT REQUESTED	MAYOR RECOMMENDED	ASSEMBLY APPROVED
	<u>OPERATING REVENUES</u>					
4400	Residential Sales	4,341,731	5,217,370	5,348,410	5,348,410	5,348,410
4420	Commercial and Industrial	11,554,143	12,879,890	13,149,610	13,149,610	13,149,610
4440	Public Highway Street Lighting	908,256	938,590	994,930	994,930	994,930
4450	Sales to the Municipality	0	0	0	0	0
4470	Sales for Resale	0	1,000	0	0	0
4540	Rent from Electric Property	18,000	13,400	22,500	22,500	22,500
4560	Miscellaneous Revenue	3,963	1,000	110,000	110,000	110,000
	TOTAL OPERATING REVENUE	16,826,093	19,051,250	19,625,450	19,625,450	19,625,450
	<u>OPERATING EXPENSE</u>					
	Production Expense	8,432,561	9,422,270	8,938,180	8,936,680	8,936,680
	Transmission Expense	12,425	38,760	34,100	34,100	34,100
	Distribution Expense	1,528,656	1,669,580	1,910,740	1,847,340	1,847,380
	Customer Accounts	872,454	1,180,420	1,344,770	1,295,190	1,295,960
	Customer Service and Information	38,184	55,560	97,960	97,960	97,960
	Administrative and General	710,352	1,154,670	1,189,920	1,208,000	1,226,550
9303	Depreciation	1,986,474	3,390,000	3,760,290	3,760,290	3,760,290
9404	Amortization of Contributed Plant	(66,450)	(85,000)	(116,150)	(116,150)	(116,150)
9408	Municipal Utility Service Assess.	386,054	560,770	619,900	686,360	692,980
	TOTAL OPERATING EXPENSE	13,900,710	17,387,030	17,779,710	17,749,770	17,775,750
	OPERATING INCOME	2,925,383	1,664,220	1,845,740	1,875,680	1,849,700

MUNICIPALITY OF ANCHORAGE

COMMENTARY

Department		Unit No.	Division		Unit No.	Section		Unit No.
Municipal Utilities		8003	Municipal Light and Power		8500			
Account Number	LINE ITEM EXPLANATION	1979	1980	1981				
		ACTUAL	PROFORMA	DEPARTMENT REQUESTED	MAYOR RECOMMENDED	ASSEMBLY APPROVED		
	<u>NON-OPERATING REVENUE</u>							
4150	Revenue from Contract Work	45,291	20,000	30,000	30,000	30,000		30,000
4190	Interest	19,562	30,000	15,000	15,000	15,000		15,000
4191	Allowance for Funds Used During Construction	154,206	0	0	0	0		0
4192	Interest on Bond Reserve Cash Investment	172,367	316,300	467,750	467,750	467,750		467,750
4193	Interest from General Cash Pool	18,112	4,000	20,000	20,000	20,000		20,000
4194	Interest from Bond Cash Pool	971,200	388,000	0	0	0		0
4210	Misc. Non-Operating Revenue	37,650	20,000	75,000	75,000	75,000		75,000
	TOTAL NON-OPERATING REVENUE	1,418,388	778,300	607,750	607,750	607,750		607,750
	<u>NON-OPERATING EXPENSE</u>							
4160	Costs & Expense of Contract Work	40,015	20,000	30,000	30,000	30,000		30,000
9427	Interest on Bonded Debt	3,270,199	3,993,770	4,801,640	4,801,640	4,801,640		4,801,640
9428	Amortization of Bond Sale Costs	2,413	15,590	7,500	7,500	7,500		7,500
9431	Other Interest Expense	83,269	195,970	10,000	10,000	10,000		10,000
	TOTAL NON-OPERATING EXPENSE	3,395,896	4,225,330	4,849,140	4,849,140	4,849,140		4,849,140
	NON-OPERATING INCOME (LOSS)	(1,977,508)	(3,447,030)	(4,241,390)	(4,241,390)	(4,241,390)		(4,241,390)
	NET OPERATING INCOME (LOSS)	947,875	(1,782,810)	(2,395,650)	(2,365,710)	(2,391,690)		(2,391,690)
4195	Interest Income Restricted for Bond Construction Fund	0	336,000	700,000	700,000	700,000		700,000
	TOTAL	947,875	(1,446,810)	(1,695,650)	(1,665,710)	(1,691,690)		(1,691,690)

Department	Unit No.	Division	Unit No.	Section	Unit No.		
Municipal Utilities	8003	Municipal Light and Power	8500				
LINE ITEM EXPLANATION	1979		1980		1981		
	ACTUAL		PROFORMA		DEPARTMENT REQUESTED	MAYOR RECOMMENDED	ASSEMBLY APPROVED
STATEMENT OF RETAINED EARNINGS							
BALANCE - JANUARY 1	9,682,798		10,156,750		8,709,940	8,709,940	8,709,940
Net Income (Loss)	947,875		(1,446,810)		(2,395,650)	(2,365,710)	(2,391,690)
Less: Contribution	(473,937)		-0-		-0-	-0-	-0-
Total:	473,938		(1,446,810)		(2,395,650)	(2,365,710)	(2,391,690)
BALANCE - DECEMBER 31	10,156,736		8,709,940		6,314,290	6,344,230	6,318,250
SOURCES AND USES OF FUNDS							
OPERATIONAL FUNDS - JANUARY 1	(182,554)		(254,740)		(1,627,080)	(1,627,080)	(1,627,080)
BOND FUNDS - JANUARY 1	13,994,446		8,531,420		6,770,420	6,770,420	6,770,420
TOTAL FUNDS - JANUARY 1 (DEFICIT)	13,811,892		8,276,680		5,143,340	5,143,340	5,143,340
SOURCES OF FUNDS							
Net Income (Loss)	947,875		(1,782,810)		(2,395,650)	(2,365,710)	(2,391,690)
Depreciation	1,920,024		3,320,590		3,644,140	3,644,140	3,644,140
Bond Proceeds	11,000,000		8,203,000		9,400,000	9,400,000	9,400,000
Other (Net)	(546,401)		336,000		700,000	700,000	700,000
Total Funds Generated:	13,321,498		10,076,780		11,348,490	11,378,430	11,352,450
USES OF FUNDS							
Construction Program	16,526,797		10,300,000		11,238,000	11,238,000	11,238,000
Bond Principal Payments	985,000		1,290,000		1,505,000	1,505,000	1,505,000
Bond Reserve Payments	956,160		1,620,120		1,466,000	1,466,000	1,466,000
Contribution to General Fund	388,755		-0-		-0-	-0-	-0-
Other (Net)	-0-		-0-		-0-	-0-	-0-
Total Funds Used:	18,856,712		13,210,120		14,209,000	14,209,000	14,209,000

MUNICIPALITY OF ANCHORAGE

COMMENTARY

Department	Unit No.	Division	Unit No.	Section	Unit No.
Municipal Utilities	8003	Municipal Light and Power	8500		
LINE ITEM EXPLANATION	1979	1980	1981		
	ACTUAL	PROFORMA	DEPARTMENT REQUESTED	MAYOR RECOMMENDED	ASSEMBLY APPROVED
SOURCES AND USES OF FUNDS (Continued)					
NET FUNDS GENERATED (Used)	(5,535,214)	(3,133,340)	(2,860,510)	(2,830,570)	(2,856,550)
OPERATIONAL FUNDS - DECEMBER 31	(254,740)	(1,627,080)	(3,986,590)	(3,956,650)	(3,982,630)
BOND FUNDS - DECEMBER 31	8,531,418	6,770,420	6,269,420	6,269,420	6,269,420
TOTAL FUNDS - DECEMBER 31 (DEFICIT)	8,276,678	5,143,340	2,282,830	2,312,770	2,286,790

Department	Unit No.	Division	Unit No.	Section	Unit No.
Municipal Utilities	8003	Municipal Light and Power	8500		
LINE ITEM EXPLANATION	1979	1980	1981		
	ACTUAL	PROFORMA	DEPARTMENT REQUESTED	MAYOR RECOMMENDED	ASSEMBLY APPROVED
WORKING CAPITAL					
Operating Expenses Excluding Depreciation, Amortization & MUSA	11,594,632	13,541,260	13,515,670	13,419,270	13,438,630
Average Operating Expenses (45 Days)	1,449,329	1,692,660	1,689,460	1,677,410	1,679,830
Materials and Supplies	1,688,829	1,750,000	1,750,000	1,750,000	1,750,000
Other	-0-	-0-	-0-	-0-	-0-
Less: Customer Deposits	(11,969)	(20,000)	(10,000)	(10,000)	(10,000)
Total Working Capital:	3,126,189	3,422,660	3,429,460	3,417,410	3,419,830
RATE BASE					
Estimated Average Net Plant In Service	40,014,644	57,542,910	68,031,240	68,031,240	68,031,240
Working Capital Requirement	3,126,189	3,422,660	3,429,460	3,417,410	3,419,830
Total Rate Base	43,140,833	60,965,570	71,460,700	71,448,650	71,451,070
OPERATING INCOME					
Operating Revenues	16,826,093	19,051,250	19,625,450	19,625,450	19,625,450
Less: Operating Expenses	13,900,710	17,387,030	17,779,710	17,749,770	17,775,750
Total Operating Income:	2,925,383	1,664,220	1,845,740	1,875,680	1,849,700
RATE OF RETURN	6.78%	2.73%	2.58%	2.63%	2.59%

MUNICIPALITY OF ANCHORAGE

COMMENTARY

Department	Unit No.	Division	Unit No.	Section	Unit No.
Municipal Utilites	8003	Municipal Light and Power	8500		
LINE ITEM EXPLANATION	1979		1980		
	ACTUAL	PROFORMA	DEPARTMENT REQUESTED	MAYOR RECOMMENDED	ASSEMBLY APPROVED
OPERATING RATIO					
Total Operating Expenses	13,900,710	17,387,030	17,779,710	17,749,770	17,775,750
Total Operating Revenues	16,826,093	19,051,250	19,625,450	19,625,450	19,625,450
Operating Ratio:	82.6%	91.3%	90.6%	90.4%	90.6%
CAPITAL TURNOVER RATIO					
Total Operating Revenue	16,826,093	19,051,250	19,625,450	19,625,450	19,625,450
Gross Utility Plant-in-Service@ Year End	64,849,703	80,632,710	91,537,320	91,537,320	91,537,320
Capital Turnover Ratio:	0.26	0.24	0.21	0.21	0.21
DEBT RATIO					
Long Term Debt	59,155,000	66,365,000	75,560,000	75,560,000	75,560,000
Long Term Debt Plus Retained Earnings	69,311,736	75,074,940	83,695,020	81,904,230	81,878,250
Debt Ratio:	85.3%	88.4%	90.3%	92.3%	92.3%

MUNICIPALITY OF ANCHORAGE

COMMENTARY

Department	Unit No.	Division	Unit No.	Section	Unit No.
Municipal Utilities	8003	Municipal Light and Power	8500		
LINE ITEM EXPLANATION	1979	1980	1981		
	ACTUAL	PROFORMA	DEPARTMENT REQUESTED	MAYOR RECOMMENDED	ASSEMBLY APPROVED
BOND DEBT COVERAGE					
Gross Revenues Excluding Funds Used For Construction	18,090,275	19,829,550	20,233,200	20,233,200	20,233,200
Operating Expenses Excluding Depreciation, Amortization & MUSA	11,594,632	13,541,260	13,515,670	13,419,270	13,438,630
Total Income Available for Debt Service	6,495,643	6,288,290	6,717,530	6,813,930	6,794,570
Debt Service Requirement	4,255,199	5,415,375	6,306,640	6,306,640	6,306,640
Bond Debt Coverage (Minimum)1.25	1.53	1.16	1.07	1.08	1.08
PERSONNEL HEADCOUNT					
Personnel Headcount - January 1	99	115	115	115	115
Additions	22	8	14	8	8
Deletions	(6)	(7)	(2)	(2)	(2)
Transfers In	-0-	-0-	-0-	-0-	-0-
Transfers Out	-0-	(1)	-0-	-0-	-0-
Net Activity - Current Year	16	-0-	12	6	6
Personnel Headcount - December 31	115	115	127	121	121
OVERTIME ALLOWANCE RATIO					
Annual Overtime \$'s	290,338	352,630	304,820	300,520	300,520
Annual Gross Payroll Less Overtime \$'s	3,535,598	3,859,630	3,946,410	3,872,490	3,872,490
Overtime Allowance Ratio:	8.2%	9.1%	7.7%	7.8%	7.8%

MUNICIPALITY OF ANCHORAGE

COMMENTARY

Department	Unit No.	Division	Unit No.	Section	Unit No.
Municipal Utilities	8003	Municipal Light and Power	8500		
PERSONNEL RESOURCES	RANGE	1980		1981	
		PROFORMA	DEPARTMENT REQUESTED	MAYOR RECOMMENDED	ASSEMBLY APPROVED
General Manager Municipal Light and Power	E-II	1	1	1	1
Utility Division Manager	E-I	1	0	0	0
Senior Administrative Officer	15N	0	1	1	1
Senior Office Associate	10N	1	1	1	1
Junior Clerk	IBEW	2	2	2	2
Utility Division Manager (Financial Services)	E-I	1	1	1	1
Light and Power Superintendent	17N	0	2	2	2
Utility Management Assistant	17N	1	1	1	1
Principal Accountant	16N	2	0	0	0
Principal Administrative Officer	16N	1	0	0	0
Programmer II	16N	1	1	1	1
Light and Power Associate Engineer	16N	1	1	1	1
Operator II	15N	0	1	1	1
Senior Administrative Officer	15N	1	1	1	1
Administrative Officer	14N	0	1	1	1
Accountant	IBEW	2	2	2	2
Cut-out/Cut-in Lineman	IBEW	1	1	1	1
Lead Meter Reader	IBEW	1	1	1	1
Meter Reader	IBEW	5	5	5	5
Senior Clerk	IBEW	6	6	6	6
Junior Clerk	IBEW	4	4	4	4
Custodial Worker II	JCC	2	2	0	0
Utility Division Manager (Generation)	E-I	1	1	1	1
Light and Power Superintendent	17N	1	3	3	3
Foreman	IBEW	3	3	3	3
Operator Mechanic	IBEW	25	26	26	26
Electronics Technician	IBEW	0	1	1	1
Engineering Technician II	IBEW	0	1	1	1
Junior Clerk	IBEW	1	0	0	0
Municipal Light and Power Chief Engineer	E-I	1	1	1	1
Light and Power Engineer	17N	3	3	3	3
Light and Power Associate Engineer	16N	1	1	1	1
Engineer II	IBEW	2	2	2	2
Engineer I	IBEW	7	9	9	9
Engineer Technician III	IBEW	4	5	4	4
Engineer Technician II	IBEW	2	3	2	2
Engineer Technician I	IBEW	1	1	1	1

Department	Unit No.	Division	Unit No.	Section	Unit No.
Municipal Utilities	8003	Municipal Light and Power	8500		

PERSONNEL RESOURCES	RANGE	1980		1981	
		PROFORMA	DEPARTMENT REQUESTED	MAYOR RECOMMENDED	ASSEMBLY APPROVED
Utility Division Manager (Operations)	E-I	1	1	1	1
Light and Power Superintendent	17N	2	2	2	2
Foreman	IBEW	5	5	5	5
Loopwagon Leadman	IBEW	1	2	2	2
Journeyman Meterman	IBEW	1	1	1	1
Journeyman Lineman	IBEW	12	14	12	12
Equipment Operator	IBEW	1	0	0	0
Head Warehouseman	IBEW	1	1	1	1
Assistant Warehouseman	IBEW	2	2	2	2
Mechanic Leadman	JCC	1	1	1	1
Mechanic Journeyman	JCC	0	1	1	1
Senior Clerk	IBEW	2	2	2	2
Total Positions		115	127	121	121