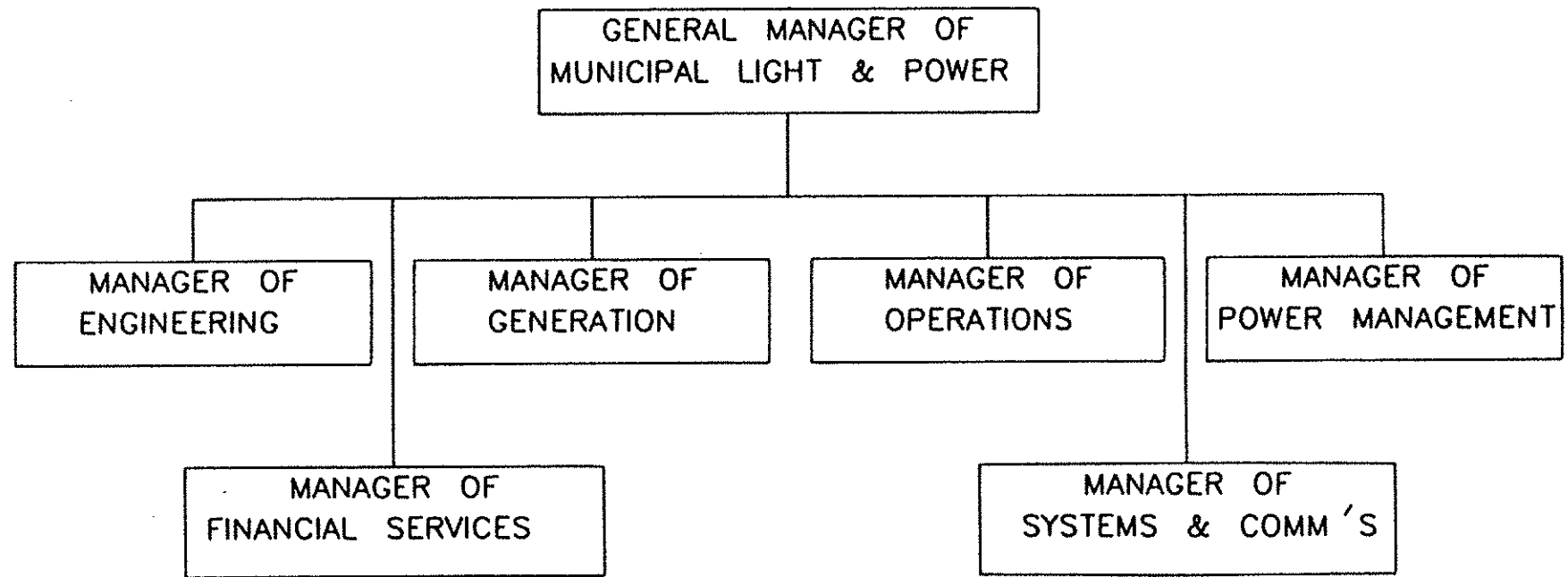


**MUNICIPAL LIGHT AND
POWER UTILITY**

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No. 8000	Utility MUNICIPAL LIGHT AND POWER	Unit No. 8500	Division	Unit No.
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Public Utilities	Unit No	Utility	Unit No.	Division	Unit No.
	8000	Municipal Light and Power	8500		

MISSION

Municipal Light and Power's mission is to provide present and future customers with safe, economical and reliable electrical energy.

GOALS

The goals of Municipal Light and Power (ML&P) are to:

1. Plan for and supply our customers electrical energy requirements.
2. Operate and maintain the electrical system with optimum economic efficiency.
3. Deliver prompt and reliable services.
4. Implement policies, procedures and tariffs that insure sound financial management.
5. Provide for the safety of the public and employees in the operations of the electrical system.
6. Compliance with environmental regulations.
7. Encourage a shift from non-renewable to renewable and sustainable resources.
8. Promote employee development and participation to ensure efficient and safe operation of the electrical system.
9. Encourage community involvement and public awareness.
10. Promote energy resource conservation.
11. Plan with regard for aesthetics.

MUNICIPALITY OF ANCHORAGE

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Public Utilities	Unit No 8000	Utility Municipal Light and Power	Unit No. 8500	Division	Unit No.
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GOALS, continued

12. Take leading role in railbelt energy planning.

FACTORS DRIVING THE UTILITY

1. Population changes in Anchorage area.
2. Commercial and institutional development within ML&P's service area.
3. Federal/State/Local regulatory requirements, and decisions.
4. Road improvement projects.
5. Implementation of Municipal underground plan.
6. Street lighting requirements.
7. Consumer expectation.
8. Need for continuous service coverage.

PLANNING ASSUMPTIONS

The following assumptions have been used in developing ML&P's 1987-1992 long range plans. They have been developed from the best data available at this time.

1. Natural gas will be the primary energy source during this period.
2. Commercial development will continue in the Central Business District and Mid Town.
3. ML&P will work in partnership with Railbelt Utilities in maintaining existing and developing future generation resources.
4. Long term viability of the Anchorage economy.

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PLANNING ASSUMPTIONS, Continued

5. Budgetary plans do not include the effects of consolidation of electrical supply services within the Municipality.

OBJECTIVES AND PROGRAMS TO SATISFY OBJECTIVES

The following are the objectives, programs and projects to be accomplished over the next six (6) years (1987-1992) to satisfy ML&P's objectives.

ADMINISTRATION

1. AIR QUALITY STUDY.
 - Collect air quality and meteorological information to refine data base.
 - Model dispersion effects as required using appropriate screening computer models.
2. SECURITY SYSTEMS FOR ALL ML&P FACILITIES.
 - Electronically monitor substations.
 - Ongoing review and enhancement of security needs.
3. CONTINUE PCB TESTING AND REMOVAL.
4. HAZARDOUS CHEMICALS CONTROL PROGRAM.
 - Continue monitoring of the use and control of hazardous chemicals.
 - Continued review and refinement of program.

Public Utilities	Unit No	Utility	Unit No	Division	Unit No
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5. PROVIDE FOR THE SAFETY OF ML&P PERSONNEL AND THE PUBLIC.

- Training program refinements.
- Enhancements of inspection programs.
- Continued promotion of community awareness.

6. EXPAND THE ELEMENTARY AND SECONDARY EDUCATIONAL PROGRAMS ON ENERGY AND SAFETY MATTERS.

- School visits.
- Educational programs for industry.
- Community council participation.

ENGINEERING

1. CONTINUE UPDATE OF TEN-YEAR LONG RANGE PLAN FOR ML&P'S GENERATION, TRANSMISSION AND DISTRIBUTION REQUIREMENTS.

2. IMPROVE SHORT RANGE TRANSMISSION AND DISTRIBUTION TWO YEAR WORK PLAN FOR BETTER DESIGN AND CONSTRUCTION SCHEDULING.

3. EXPAND COMPUTER AIDED DRAFTING.

- Employee training and development,
- Improved productivity.

4. IMPROVE CONSTRUCTION ESTIMATING PROCEDURES.

- Standardization.
- Implement information review and construction feedback system.

5. CONTINUE WITH REMOVAL OF DUPLICATE FACILITIES AFTER ML&P/CEA TRANSFER.

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No. 8000	Utility Municipal Light & Power	Unit No. 8500	Division	Unit No.
<p>6. IMPROVE STANDARD MATERIAL AND CONSTRUCTION SPECIFICATIONS.</p> <ul style="list-style-type: none"> ◦ Research industrial standards. ◦ Improve vendor information channels. <p>7. CONVERT MANUAL SYSTEM OF MAPPING TO COMPUTER AIDED SYSTEMS.</p> <p>8. ENHANCE DISTRIBUTION LOAD MANAGEMENT SYSTEM CAPABILITIES.</p> <p>9. UTILITY COORDINATION PROGRAM.</p> <ul style="list-style-type: none"> ◦ Promote one call utility locate service. ◦ Support damage prevention legislation at both local and state level. ◦ Develop underground utility placement standards. ◦ Support geographic information system, <p>10. COMPUTERIZE ENGINEERING SUPPORT RECORDS.</p> <ul style="list-style-type: none"> ◦ Permits/Easements ◦ Construction drawings ◦ Contracts 					

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
	8000	Municipal Light & Power	8500		
<p>11. DESIGN TRANSMISSION AND DISTRIBUTION FACILITIES TO PROVIDE SERVICES TO NEW AND EXISTING CUSTOMERS.</p> <ul style="list-style-type: none"> ◦ Reconstruct generation Plant I 34.5kv distribution feeder ring bus. ◦ Complete Phase III 115kv transmission line between Mt. View and Plant I. ◦ Upgrade intertie with Elmendorf AFB power plant. ◦ Participate in intertie to Kenai Peninsula. ◦ Reconstruct a portion of Eklutna 115kv transmission line. ◦ Construct second inner 115kv substation transmission loop. ◦ Construct 12.47kv distribution intertie feeders. ◦ Acquire sites for substations 21, 22, and Elmendorf AFB. ◦ Construct substations 21, 22, and Elmendorf AFB. ◦ Construct street lighting to meet community needs. ◦ Continue improvements of SCADA System. ◦ Continued conversion to 34.5kv in port dock and CBD areas. ◦ Distribution automation of key 12.47kv feeders. 					

Public Utilities	Unit No 8000	Utility Municipal Light and Power	Unit No 8500	Division	Unit No.
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GENERATION

1. CONTINUE AN ACTIVE MAINTENANCE PROGRAM TO OBTAIN THE BEST RELIABILITY AND EFFICIENCY.
2. RELIABILITY, AVAILABILITY, EFFICIENCY AND IMPROVEMENTS.
 - ° Provide black start capability at Plant II.
 - ° Improve anti-icing and air filtration of older units.
 - ° Install additional generation as required.
 - ° Install water conservation equipment.
 - ° Continue investigation of alternative types of generation.
 - ° Improve combined cycle efficiency.
 - ° Improve facility to meet new safety, seismic and fire protection standards.
 - ° Improve turbine-generator controls and automated data gathering to increase reliability and efficiency.
3. SECURE RELIABLE FUEL SUPPLIES.
 - ° Continue with the emergency fuel supply improvements as required.
 - ° Investigate gas storage alternatives (LNG/underground)

MUNICIPALITY OF ANCHORAGE

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Public Utilities	Unit No 8000	Utility Municipal Light and Power	Unit No 8500	Division	Unit No.
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OPERATIONS

1. IMPROVE RELIABILITY AND REDUCE SERVICE INTERRUPTIONS THROUGH ON-GOING INSPECTION AND PREVENTIVE MAINTENANCE PROGRAMS.
 - Continue replacement of hot line clamps.
 - Annual inspection and maintenance of CBD vault-duct system.
 - Annual tree trimming.
 - Continue maintenance of SCADA System.
 - Annual inspection and maintenance of distribution system.
 - Preventive maintenance of substations and 115 KV switch yards.
 - Improved transformer maintenance facility.
 - Continue comprehensive meter audit program.

2. PROVIDE IMPROVED STREET LIGHTING.
 - Continue upgrading older street lighting systems.
 - Continue dedicated street lighting crew.
 - Improved street lighting standards.

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3. WAREHOUSE FACILITIES IMPROVEMENTS.

- Repair and resurface warehouse roof.
- Provide warehouse addition.
- Construct covered outdoor storage facility.
- Resurface and pave warehouse yards.

FINANCIAL SERVICES

1. PLAN FOR IN-HOUSE FINANCIAL INFORMATION SYSTEM.
2. IMPROVE FINANCIAL MANAGEMENT SYSTEMS.
 - Promote equity management thru financial planning.
 - Develop computerized budget model.
3. REVISE MUNICIPAL LIGHT AND POWER'S TARIFFS AS REQUIRED.
4. IMPROVE THE RECORDING AND REPORTING OF CAPITAL PROJECTS.
5. EXPAND POWER DIVERSION DETECTION PROGRAM.
6. ENHANCE CAREER DEVELOPMENT.
 - Improve training and education program for ML&P employees.
 - Annually, survey regular employees to determine career objectives.
 - Cross-training
 - Educational Course Study
7. IMPLEMENT USE OF HAND HELD METER READING DEVICES.

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
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SYSTEMS and COMMUNICATIONS

1. MAINTAIN COMPUTER SYSTEM SECURITY TO ENSURE DATA INTEGRITY.
2. REPLACE SEVEN YEAR OLD HP3000 SERIES III.
3. PROVIDE MAINTENANCE TO OPERATIONAL SYSTEMS.
4. PROVIDE ENHANCEMENTS TO OPERATIONAL SYSTEMS.
 - ° Continuing Property Records System.
 - ° Billing/Accounts Receivable Subsystems.
5. DEVELOP AND IMPLEMENT A SCADA/HP3000 MIS INTERFACE.
6. DEVELOP SYSTEMS TO SUPPORT PROJECT MANAGEMENT ACTIVITIES.
7. IMPLEMENT VEHICLE MAINTENANCE SCHEDULING SYSTEMS.
8. UPDATE LONG-RANGE DATA PROCESSING PLAN.
9. IMPLEMENT AN IMPROVED UTILITY FINANCIAL INFORMATION SYSTEM.
10. DEVELOP A NEW LOAD FLOW SYSTEM.
11. DEVELOP CPRMS GRAPHIC PRESENTATION.

Public Utilities	Unit No 8000	Utility Municipal Light and Power	Unit No 8500	Division	Unit No
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POWER MANAGEMENT

1. OPERATE CONTINUOUS LINE AND GENERATION DISPATCH CENTER.
 - ° Dispatch for system safety and reliability.
 - ° Development and implementation of dynamic mapboard.
 - ° Improve economic selection of generation.
 - ° Improve centralized control of generation.
2. NEGOTIATE POWER SALES AND INTERCHANGE AGREEMENTS WITH OTHER UTILITIES.
3. SOUTH END CONTROLLER OF THE ANCHORAGE-FAIRBANKS INTERTIE.
 - ° Continue to develop and improve operating procedures.
4. DEVELOP DISPATCH SIMULATOR.
5. COMPUTERIZE ACCOUNTING AND BILLING OF INTERCHANGE POWER.

MUNICIPALITY OF ANCHORAGE

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WORKFORCE PROJECTION

<u>Divisions</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1891</u>	<u>1992</u>
Manager	13	12	13	13	14	14	14
Power Management	9	10	11	11	11	11	11
Engineering	38	34	35	35	36	36	37
Generation	49*	47	47	48	49	50	51
Operations	73**	68	68	68	70	71	72
Finance	52***	51	52	53	54	54	55
Systems	14	13	14	15	16	17	18
Sub Total	<u>248</u>	<u>235</u>	<u>240</u>	<u>243</u>	<u>250</u>	<u>253</u>	<u>258</u>
Summer Student Temps	<u>4</u>	<u>2</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>6</u>	<u>6</u>
Total	<u>252</u>	<u>237</u>	<u>244</u>	<u>248</u>	<u>256</u>	<u>259</u>	<u>264</u>

*Includes 47 Budgeted Positions and 2 Positions from Public Works
 **Includes 68 Budgeted Positions and 5 Positions from Public Works
 ***Includes 44 Budgeted Positions and 8 Potential Positions from UCS

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.	
	8000	Municipal Light & Power	8500			
<u>RESOURCE IMPACTS</u>						
<u>Growth Factors</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Customers	30,400	30,400	30,300	30,400	30,600	30,800
KWH Sales Retail (MWH)	813,005	814,015	810,280	810,674	814,592	820,400
KWH Sales For Resale (MWH)	315,000	255,000	215,000	160,000	140,000	140,000
Bond Sales (000)	12,622	14,896	14,640	14,301	11,004	10,247
<u>Personnel Increases</u>						
Management Support	(1)	1	0	1	0	0
Dispatching	1	1	0	0	0	0
Engineering Support	(4)	1	0	1	0	1
Line Maint. & Const.	(5)	0	0	2	1	1
Financial Support	(1)	1	1	1	0	1
Data Processing Support	(1)	1	1	1	1	1
Production Support	(2)	0	1	1	1	1
Total	(13)	5	3	7	3	5
<u>REVENUE (000)</u>	77,406	80,415	84,150	86,708	90,390	94,230
<u>EXPENSE (000)</u>	76,606	78,362	81,412	84,852	88,246	91,775
<u>NET INCOME (000)</u>	1,130	2,053	2,738	1,856	2,144	2,455
<u>REGULATORY</u>						
<u>ADJUSTMENTS</u>	7	98	50	50	50	50
<u>NET INCOME GOVERNMENTAL</u>	1,137	2,151	2,788	1,906	2,190	2,500
<u>FINANCIAL REPORTING</u>						
<u>POSSIBLE RATE</u>						
<u>INCREASE</u> Increases do	3.2%	3.7%	4.5%	2.3%	3.2%	4%
not include cost of						
power adjustment amounts						

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.		
	8000	Municipal Light & Power	8500				
STATISTICAL AND PERFORMANCE TRENDS							
	1981	1982	1983	1984	1985	1986	1987
Average Number of Customers	17,076	17,977	19,045	21,932	30,348	30,100	30,400
Retail Sales (MWH)	559,138	611,017	636,818	670,030	798,736	799,086	813,005
Resale (MWH)			15,970	22,058	182,045	285,000	315,000
Total Sales (MWH)	559,138	611,017	652,818	692,088	980,781	1,084,086	1,128,005
Total Operating Expenses	24,761	26,590	36,062	42,866	60,645	71,693	76,606
Retail Operating Expenses per Kilowatt Hour	4.4¢	4.4¢	5.5¢	6.2¢	6.2¢	6.6¢	6.8¢
% Change	12.8%	0%	25%	12.7%	0%	6.4%	3.0%
Operating Expense per Customer	\$ 1,450	\$ 1,479	\$ 1,893	\$ 1,954	\$ 1,998	\$ 2,381	\$ 2,519
% Change	12.5%	2.0%	27.9%	3.2%	2.2%	19.2%	5.4%
Number of Employees	121	131	149	182	206	252	237
Customers per Employee	141	137	128	120	147	120	128
Electric Plant In Service (000)	75,986	84,782	96,444	141,100	150,200	152,000	156,000
Electric Plant per Customer	\$ 4,450	\$ 4,716	\$ 5,064	\$ 6,434	\$ 4,950	\$ 5,050	\$ 5,131

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No. 8000	Utility Municipal Light & Power	Unit No. 8500	Division	Unit No.
<u>KEY FINANCIAL RATIOS</u>					
<u>RATIO</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Current Ratio	.85/1	1.09/1	2.1/1	1.5/1	1.7/1
Long Term Debt/Gross Plant	.89.3	86.1	90.95	94.9	94.2
Debt/Equity Ratio	78/22	81/19	83/17	94/6	93/7
<u>OPERATING STATEMENT</u>					
Rate of Return	5.7 %	8.7 %	8.5 %	8.1 %	10.3 %
Bond Debt Coverage	1.6	1.57	1.47	1.36	1.55
Operating Margin	18.4 %	25.1 %	22.0 %	18.8 %	21.0 %
Net Profit Margin	.4 %	1.5 %	(1.7)%	(2.8)%	1.5 %
Operating Ratio Controllable Cost	66.4	60.0	63.0	66.6	65.3

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Public Utilities	Unit No. 8000	Utility Municipal Light & Power	Unit No. 8500	Division	Unit No.
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1987 BUDGET IMPACTS

OPERATING

1. Continued emphasis on utility locate services and maintenance will result in decreased outages, and reduce emergency maintenance.
2. Municipal Light and Power as the South End Control of the Fairbanks Intertie will benefit with power sales to other utilities, when the economics warrant such sales.
3. New billing and accounts receivable system will provide economic efficiencies to the utility and better service to utility customers.
4. Leveling of load growth will slow growth of the number of utility employees and expenses.

CAPITAL

1. Revised load growth forecast will provide guide to future expansion in conjunction with the 10 year plan.
2. Planned undergrounding of facilities in response to the underground ordinance will impact utility resources.
3. Capital expenditures have been reduced in response to load growth forecast.

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No.	Utility	Unit No.	Division
	8000	Municipal Light & Power	8500	
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA				
LINE ITEM DESCRIPTION	1985	1986	1987	
	ACTUAL	PRO-FORMA	PROPOSED	ADOPTED
<u>STATEMENT OF REVENUE AND EXPENSES</u>				
<u>OPERATING REVENUES</u>				
4400-Residential Sales	12,348,280	13,892,481	15,940,000*	
4420-Commercial and Industrial	35,776,997	41,331,696	46,993,000*	
4440-Public Highway Street Lighting	1,214,074	1,395,193	1,549,000*	
4450-Public Authority	454,228	520,536	520,000	
4470-Sales for Resale	6,510,319	9,036,109	8,862,000	
4510-Misc. Service Revenues	189,655	200,000	200,000	
4540-Rent from Electric Property	74,056	76,455	76,000	
4560-Miscellaneous Revenue	11,250	10,000	10,000	
Total Operating Revenue	<u>56,579,459</u>	<u>66,462,470</u>	<u>74,150,000</u>	
<u>OPERATING EXPENSE</u>				
Production Expense	23,398,467	30,041,970	33,486,000	
Transmission Expense	228,366	416,974	434,000	
Distribution Expense	5,233,879	5,892,534	6,128,000	
Customer Account Expense	2,809,350	3,094,058	3,218,300	
Customer Service & Information	189,287	259,087	269,400	
Administrative & General Exp.	2,813,476	3,570,452	3,713,300	
9403-Depreciation	7,986,844	9,056,000	9,451,000	
9404-Depreciation Contributed Plt.	238,733	327,000	330,000	
9405-Amort. Intangible Plant	307,758	307,752	307,800	
9406-Amort. Plant Acquisition	45,152	58,716	58,700	
9408-Municipal Utility Service Assmt.	870,427	1,024,755	1,200,000	
Total Operating Expense	<u>44,139,720</u>	<u>54,049,298</u>	<u>58,596,500</u>	
Operating Income	12,439,740	12,413,172	15,553,500	
*Includes 3.2% Rate Increase Jan. 1, 1987 (Increase does not include cost of power adjustment amounts)				

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No. 8000	Utility Municipal Light & Power	Unit No. 8500	Division
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA				
LINE ITEM DESCRIPTION	1985	1986	1987	
	ACTUAL	PRO-FORMA	PROPOSED	ADOPTED
<u>NON-OPERATING REVENUE</u>				
4191-Interest Operating Reserve	286,643	289,000	334,000	
4192-Interest Bond Redemption Cash	1,539,712	2,000,000	2,100,000	
4193-Interest From General Cash Pool	408,492	260,000	260,000	
4194-Interest Debt Service Fund	511,221	417,000	462,000	
4210-Misc. Non-Operating Revenue	90,741	100,000	100,000	
4211-Gain on Disposition of Property	-0-	-0-	-0-	
Total Non-Operating Revenue	<u>2,836,808</u>	<u>3,066,000</u>	<u>3,256,000</u>	
<u>NON-OPERATING EXPENSE</u>				
9427-Interest on Bonded Debt	15,060,946	17,047,537	17,500,000	
9428-Amortization of Bond Sale Costs	382,244	450,251	500,000	
9431-Other Interest Expense	<u>1,061,758</u>	<u>146,100</u>	<u>10,000</u>	
Total Non-Operating Expense	<u>16,504,948</u>	<u>17,643,888</u>	<u>18,010,000</u>	
Non-Operating Income (Loss)	<u>(13,668,139)</u>	<u>(14,577,888)</u>	<u>(14,754,000)</u>	
NET INCOME	<u>(1,228,400)</u>	<u>(2,164,716)</u>	<u>799,500</u>	
Add: Depreciation of Contributed Plant	238,733	327,000	330,000	
NET INCOME (REGULATORY)	<u>(989,667)</u>	<u>(1,837,716)</u>	<u>1,129,500</u>	
Less: Depreciation of Contributed Plant	(238,732)	(327,000)	(330,000)	
Add: Interest Income Restricted for Bond Construction	<u>2,000,731</u>	<u>994,600</u>	<u>337,000</u>	
NET INCOME GOVERNMENTAL FINANCIAL REPORTING	<u><u>772,331</u></u>	<u><u>(1,170,116)</u></u>	<u><u>1,136,500</u></u>	

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No. 8000	Utility Municipal Light & Power	Unit No. 8500	Division
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA				
LINE ITEM DESCRIPTION	1985	1986	1987	
	ACTUAL	PRO-FORMA	PROPOSED	ADOPTED
STATEMENT OF SOURCES AND USES OF CASH				
Sources of Cash Funds				
Net Income	772,331	(1,170,116)	1,136,500	
Depreciation	8,578,487	9,749,468	10,147,500	
Bond Proceeds	21,709,651	9,000,000	6,312,000	
Grants	-0-	-0-	-0-	
Other	-0-	-0-	-0-	
Total Sources of Cash Funds	31,060,469	17,579,352	17,596,000	
Uses of Cash Funds				
Additions to Plant	17,830,568	15,516,900	16,512,000	
Bond Principle/Debt Retirement	1,150,000	1,425,000	1,620,000	
Other	392,219	-0-	-0-	
Total Uses of Cash Funds	19,372,787	16,941,900	18,132,000	
Net Increase (Decrease) In Cash Funds	11,687,682	637,452	(536,000)	
Cash Balance January 1	32,650,672	44,338,354	44,975,806	
Cash Balance December 31	<u>44,338,354</u>	<u>44,975,806</u>	<u>44,439,806</u>	
DETAIL OF CASH BALANCE				
Equity in General Cash Pool	9,007,561	8,631,085	8,231,085	
Equity in Construction Cash Pool	13,484,365	13,353,451	11,770,583	
Revenue Bond Reserve Cash	<u>21,846,428</u>	<u>22,991,270</u>	<u>24,438,138</u>	
Total Cash Balance December 31	<u>44,338,354</u>	<u>44,975,806</u>	<u>44,439,806</u>	

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No. 8000	Utility Municipal Light & Power	Unit No. 8500	Division
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA				
LINE ITEM DESCRIPTION	1985 ACTUAL	1986 PRO-FORMA	1987 PROPOSED	ADOPTED
	<p><u>STATEMENT OF CHANGES IN FUND EQUITY</u></p> <p>Balance January 1</p> <p>Net Income (Loss)</p> <p>Other</p> <p>Balance December 31</p> <p>Detail of Fund Equity</p> <p>Retained Earnings</p> <p>Contributed Capital</p> <p>Total Fund Equity December 31</p> <p> </p> <p>*Equity loss due to 1986 Bond Refunding</p>	<p>33,430,877</p> <p>772,331</p> <p><u>360,345</u></p> <p>34,563,553</p> <p>28,446,682</p> <p><u>6,116,871</u></p> <p>34,563,553</p>	<p>34,563,553</p> <p>(1,170,116)</p> <p><u>(20,593,421)*</u></p> <p>15,140,248</p> <p>8,340,248</p> <p><u>6,800,000</u></p> <p>15,140,248</p>	<p>15,140,248</p> <p>1,136,500</p> <p><u>709,351</u></p> <p>16,276,748</p> <p>8,767,397</p> <p><u>7,509,351</u></p> <p>16,276,748</p>

MUNICIPALITY OF ANCHORAGE

Public Utilities	Unit No. 8000	Utility Municipal Light & Power	Unit No. 8500	Division
MUNICIPALITY OF ANCHORAGE FINANCIAL DATA				
LINE ITEM DESCRIPTION	1985 ACTUAL	1986 PRO-FORMA	1987	ADOPTED
			PROPOSED	
<u>DEBT SERVICE COVERAGE</u>				
Income Available for Debt Service Coverage	23,855,035	25,228,640	28,957,000	
Debt Service Requirement	16,180,946	18,511,288	18,699,433	
Debt Coverage	1.47	1.36	1.55	

Public Utilities	Unit No 8000	Utility Municipal Light and Power	Unit No 8500	Division	Unit No.
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NET PROFIT MARGIN

	<u>1985</u>	<u>1986</u>	<u>1987</u>
Net Income Governmental Reporting	772,331	(1,170,116)	1,136,500
Operating Revenues	56,579,459	66,462,470	74,150,000
Net Profit Margin Governmental Reporting	1.36%	(1.76%)	1.53%
Net Income Regulatory	(989,667)	(1,837,716)	1,129,500
Operating Revenues	56,579,459	66,462,470	74,150,000
Net Profit Margin Regulatory	(1.74%)	(2.76%)	1.52%

Public Utilities	Unit No.	Utility	Unit No.	Division	Unit No.
		MUNICIPAL LIGHT & POWER			

1987 CAPITAL IMPROVEMENT BUDGET FINANCIAL SUMMARY

<u>PROJECT TITLE</u>	<u>TOTAL PROJECT COST 1987</u>	<u>REVENUE BOND</u>	<u>G. O. BONDS</u>	<u>OPERATIONS</u>	<u>STATE GRANT</u>	<u>FEDERAL GRANTS</u>
Steam Production	163	163	0	0	0	0
Other Production	3,271	3,271	0	0	0	0
Transmission	794	688	0	106	0	0
Distribution	9,970	8,155	0	1,815	0	0
General Plant	<u>2,314</u>	<u>345</u>	<u>0</u>	<u>1,969</u>	<u>0</u>	<u>0</u>
TOTAL (000)	16,512	12,622	0	3,890	0	0

MUNICIPALITY OF ANCHORAGE

BUDGET YEAR PROJECTS

Utility MUNICIPAL LIGHT AND POWER

(000)

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G:G O BONDS R:REV BONDS	OPERATIONS	GRANTS F:FEDERAL S:STATE	TOTAL
Steam Production	Land and Land Rights	Plant 2	3-R	-0-	-0-	3
	Structures and Improvements	Plant 2	10-R	-0-	-0-	10
	Boilers	Plant 2	150-R	-0-	-0-	150
PREPARED BY <u>J.E. Trushinski</u> DATE <u>6/20/86</u> TOTAL			163 ^G -R	-0-	-0- ^F S	163

BUDGET YEAR PROJECTS

Utility MUNICIPAL LIGHT AND POWER

(000)

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G-G O BONDS R-REV BONDS	OPERATIONS	GRANTS F FEDERAL S STATE	TOTAL
Other Production	Land and Land Rights	Plant 1 & 2	2-R	-0-	-0-	2
	Structures and Improvements	Plant 1, Plant 2, Dispatch Center	750-R	-0-	-0-	750
	Fuel Handling and Storage		-0-	-0-	-0-	-0-
	Turbines and Generators	Plant 1 & 2	1,843-R	-0-	-0-	1,843
	Control Equipment	Plant 1 & 2	656-R	-0-	-0-	656
	Misc. Equipment	Plant 2	20-R	-0-	-0-	20
			G 3,271 ^R	-0-	F -0- S	3,271

PREPARED BY

J.E. Trumbull

DATE

6/20/86

TOTAL

BUDGET YEAR PROJECTS

Utility MUNICIPAL LIGHT AND POWER

(000)

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G-G O BONDS R REV BONDS	OPERATIONS	GRANTS F FEDERAL S STATE	TOTAL
Transmission	Land and Land Rights	Along Transmission System	3-R	-0-	-0-	3
	Station Equipment	Plant and Various Other Locations	125-R	-0-	-0-	125
	Overhead Lines	Along Transmission System	500-R	-0-	-0-	500
	Relocations	State Road Locations	-0-	106	-0-	106
		Municipal Road Locations	60-R	-0-	-0-	60
PREPARED BY <u>J.E. Trushinski</u> DATE <u>6/20/86</u> TOTAL			688 G R	106	-0- F S	794

BUDGET YEAR PROJECTS

Utility MUNICIPAL LIGHT AND POWER

(000)

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G-G O BONDS R REV BONDS	OPERATIONS	GRANTS F FEDERAL S STATE	TOTAL
Distribution	Land and Land Rights	New Substation Sites	65-R	-0-	-0-	65
	Structures and Improvements	New Substation Sites	-0-	-0-	-0-	-0-
	Station Equipment	Substations	2,045-R	-0-	-0-	2,045
	Overhead Lines	Throughout System	345-R	-0-	-0-	345
	Underground Lines	Throughout System	4,650-R	-0-	-0-	4,650
	Conversions	Dock, CBD, Sub 10	450-R	-0-	-0-	450
	Relocations	State Roads	-0-	600	-0-	600
		Municipal Roads	330-R	-0-	-0-	330
	Transformers/ Capacitors	Throughout System	-0-	795	-0-	795
	Meters/Services	Throughout System	-0-	420	-0-	420
Street Lighting	Throughout System	270-R	-0-	-0-	270	
PREPARED BY <u>J.E. Trusbnal</u> DATE <u>6/20/86</u> TOTAL			8,155 G R	1,815	F S	9,970

BUDGET YEAR PROJECTS

Utility MUNICIPAL LIGHT AND POWER

(000)

PROJECT CATEGORY	PROJECT TITLE	LOCATION	FUNDING			
			BONDS G O BONDS R REV BONDS	OPERATIONS	GRANTS F FEDERAL S STATE	TOTAL
General Plant	Structures and Improvements	Plant 1, 2, Operations, and Headquarters Bldgs	345-R	180	-0-	525
	Stores/Tools/ Garage/Lab	Plant 1, 2, Operations and Headquarters	-0-	563	-0-	563
	Furniture/ Communications	Plant 1, 2, Operations and Headquarters	-0-	836	-0-	836
	Transporation	Plant 1, 2, Operations and Headquarters	-0-	390	-0-	390
PREPARED BY <u>J.E. Truesdell</u> DATE <u>6/20/86</u> TOTAL			345	G R 1,969	F S	2,314

Public Utilities	Unit No	Utility					Unit No.	Division	Unit No.		
		MUNICIPAL LIGHT & POWER									
CIB/CIP 1987-1992											
<u>PROJECT TITLE</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>BONDS</u>	<u>OPER- ATIONS</u>	<u>STATE GRANTS</u>	<u>FEDERAL GRANTS</u>	<u>TOTAL</u>
Steam Production	163	73	23	3	103	3	368	-0-	-0-	-0-	368
Other Production	3,271	3,165	3,709	2,279	3,175	1,930	17,529	-0-	-0-	-0-	17,529
Transmission	794	1,260	1,633	1,494	255	268	4,968	736	-0-	-0-	5,704
Distribution	9,970	11,955	10,915	12,191	9,143	9,736	54,245	9,665	-0-	-0-	63,910
General Plant	<u>2,314</u>	<u>3,036</u>	<u>1,658</u>	<u>1,573</u>	<u>1,613</u>	<u>1,735</u>	<u>600</u>	<u>11,329</u>	<u>-0-</u>	<u>-0-</u>	<u>11,929</u>
Total (000)	16,512	19,489	17,938	17,540	14,289	13,672	77,710	21,730	-0-	-0-	99,440
SOURCE OF FUNDING:											
Revenue Bonds	12,622	14,896	14,640	14,301	11,004	10,247					77,710
Operations	3,890	4,593	3,298	3,239	3,285	3,425					21,730
State Grants	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>					<u>-0-</u>
TOTAL FUNDING (000)	16,512	19,489	17,938	17,540	14,289	13,672					99,440

FUTURE CAPITAL PROJECTS

Utility MUNICIPAL LIGHT AND POWER

(000)

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR				
			1988	1989	1990	1991	1992
Steam Production	Land and Land Rights	Plant 2	3-R	3-R	3-R	3-R	3-R
	Structures and Improvements	Plant 2	20-R	20-R	-0-	-0-	-0-
	Boilers	Plant 2	50-R	-0-	-0-	100-R	-0-

Source of Funding

G.O. BONDS

REVENUE BONDS

OPERATIONS

STATE GRANTS

FEDERAL GRANTS

TOTAL

	<u>73</u>	<u>23</u>	<u>3</u>	<u>103</u>	<u>3</u>
	<u>73</u>	<u>23</u>	<u>3</u>	<u>103</u>	<u>3</u>

PREPARED BY J.E. Truesdell

DATE 6/20/86

FUTURE CAPITAL PROJECTS

Utility MUNICIPAL LIGHT AND POWER

(000)

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR					
			1988	1989	1990	1991	1992	
Other Production	Land and Land Rights	Plant 1 & 2	3-R	3-R	3-R	3-R	3-R	
	Structures and Improvements	Plant 1, 2, and Dispatch Center	600-R	300-R	300-R	300-R	300-R	
	Fuel Handling and Storage	Plant 1 & 2	50-R	1,550-R	-0-	1,250-R	-0-	
	Turbines and Generators	Plant 1 & 2	1,966-R	1,729-R	1,183-R	1,587-R	1,590-R	
	Control Equipment	Plant 1 & 2	506-R	107-R	783-R	35-R	37-R	
	Misc. Equipment	Plant 1 & 2	40-R	20-R	10-R	-0-	-0-	
Source of Funding			G.O. BONDS					
			REVENUE BONDS	3,165	3,709	2,279	3,175	1,930
			OPERATIONS					
			STATE GRANTS					
			FEDERAL GRANTS					
			TOTAL	3,165	3,709	2,279	3,175	1,930

PREPARED BY J.E. Trushinski

DATE 6/20/86

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS

(000)

Utility MUNICIPAL LIGHT AND POWER

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR				
			1988	1989	1990	1991	1992
Transmission	Land and Land Rights	Along Transmission System	3-R	3-R	3-R	3-R	3-R
	Station Equipment	Along Transmission System	230-R	840-R	840-R	40-R	40-R
	Overhead Lines	Along Transmission System	850-R	600-R	450-R	-0-	-0-
	Relocations	State Road Relocations	112-0	120-0	126-0	132-0	140-0
		Municipal Road Relocations	65-R	70-R	75-R	80-R	85-R

Source of Funding

G.O. BONDS

REVENUE BONDS

OPERATIONS

STATE GRANTS

FEDERAL GRANTS

TOTAL

1,148	1,513	1,368	123	128
112	120	126	132	140
1,260	1,633	1,494	255	268

PREPARED BY J.E. Trushinski DATE 6/20/86

FUTURE CAPITAL PROJECTS

MUNICIPAL LIGHT AND POWER

Utility

(000)

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR				
			1988	1989	1990	1991	1992
Distribution	Land and Land Rights	New Substation Sites & Misc. Easements	65-R	255-R	15-R	15-R	15-R
	Structures and Improvements	Substation Sites	-0-	250-R	-0-	250-R	-0-
	Station Equipment	Substations and Plants	2,955-R	2,465-R	3,105-R	455-R	475-R
	Overhead Lines	Throughout System	495-R	145-R	145-R	145-R	145-R
	Underground Lines	Throughout System	5,910-R	5,250-R	6,301-R	5,398-R	6,156-R
	Distribution Conversion	Dock, CBD, Ship Creek Sub	325-R	350-R	375-R	600-R	625-R
	Relocations	State Roads	350-0	350-0	370-0	370-0	380-0
		Municipal Roads	340-R	350-R	360-R	370-R	380-R
	Transformers/ Capacitors	Throughout System	810-0	800-0	800-0	800-0	800-0
	Meters/Services	Throughout System	420-0	400-0	400-0	400-0	400-0
Street Lights	Throughout System	285-R	300-R	320-R	340-R	360-R	
Source of Funding							
		G.O. BONDS					
		REVENUE BONDS	10,375	9,365	10,621	7,573	8,156
		OPERATIONS	1,580	1,550	1,570	1,570	1,580
		STATE GRANTS					
		FEDERAL GRANTS					
		TOTAL	11,955	10,915	12,191	9,143	9,736

PREPARED BY J.E. Truesdell

DATE 6/20/86

MUNICIPALITY OF ANCHORAGE

FUTURE CAPITAL PROJECTS

(000)

Utility MUNICIPAL LIGHT AND POWER

PROJECT CATEGORY	PROJECT TITLE	LOCATION	BUDGET BY YEAR				
			1988	1989	1990	1991	1992
General Plant	Structures and Improvements	Plant 1, 2 and Headquarters Area	135-R 270-0	30-R 50-0	30-R 50-0	30-R 50-0	30-R 50-0
	Stores/Tools/ Garage/Lab	Plant 1, 2 and Headquarters Area	453-0	470-0	487-0	504-0	507-0
	Furniture/ Communications	Plant 1, 2 and Headquarters Area	1,893-0	769-0	707-0	739-0	771-0
	Transportation	Plant 1, 2 and Headquarters Area	285-0	339-0	299-0	290-0	367-0

Source of Funding

G.O. BONDS	135	30	30	30	30
REVENUE BONDS	2,901	1,628	1,543	1,583	1,705
OPERATIONS					
STATE GRANTS					
FEDERAL GRANTS					
TOTAL	3,036	1,658	1,573	1,613	1,735

PREPARED BY J.E. Trushmal

DATE 6/20/86