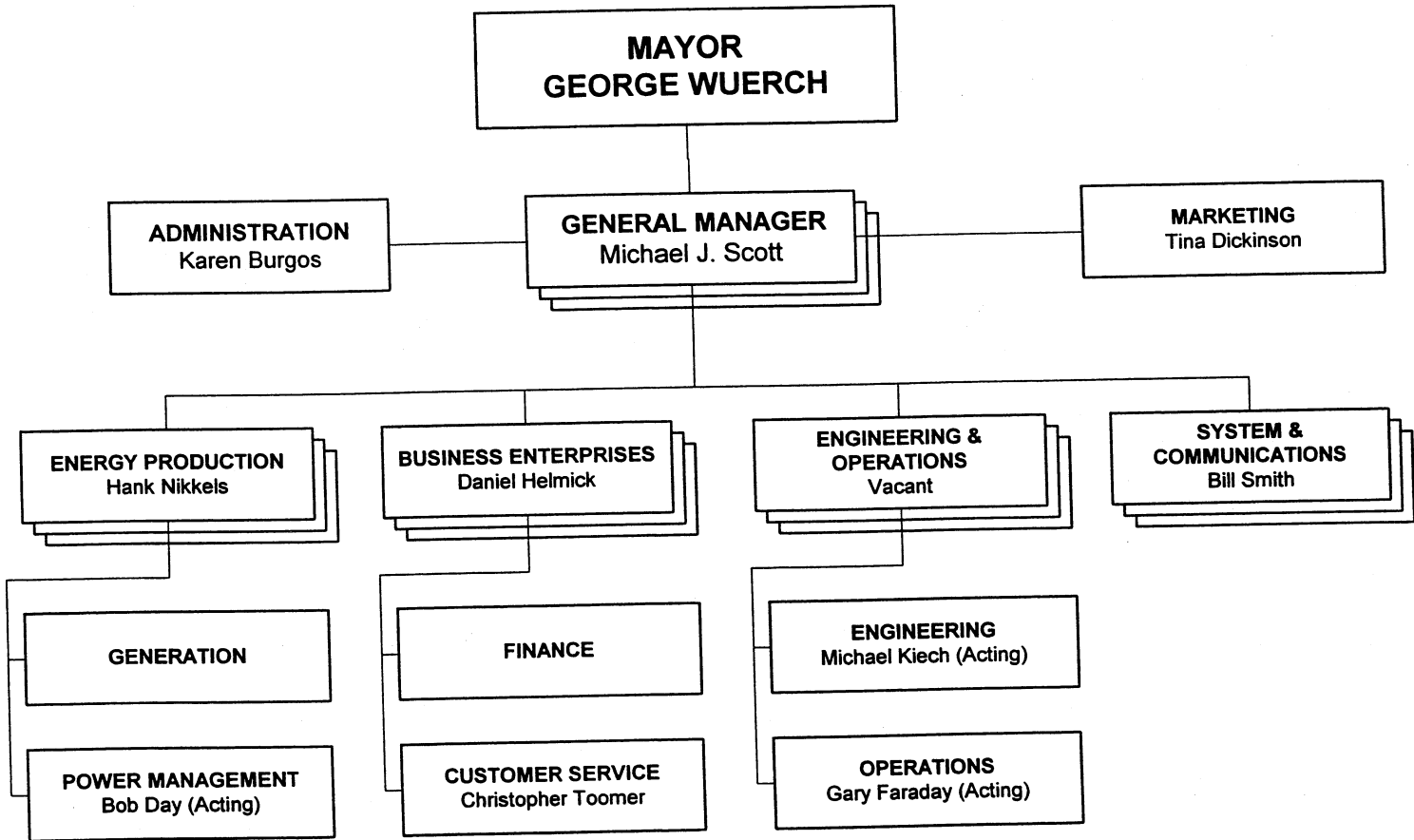


Municipal Light & Power

2002 Organization Chart



ML & P

Municipal Light & Power

2002 Utility Profile

Organization

In 1998, Municipal Light & Power (ML&P) reorganized its management team and functional structure in order to meet the challenges and opportunities of possible electric industry restructuring. ML&P's reorganization established three core business units, Energy Production, Engineering & Operations, and Business Enterprises, under the direction of the General Manager. The reorganization enhanced internal efficiency, facilitated more rapid and effective decision making, and integrated better workflow between divisions - all with the goal of assuring that customer service remains a primary focus.

ML&P had 211 employees as of December 31, 2000 and a 2000 total labor and benefit cost of approximately \$22.3 million. Of these employees, 150 were covered by a labor agreement with IBEW and 61 were non-represented (covered by the Municipal Personnel Rules).

History

The history of ML&P is closely linked with the history and development of Anchorage itself. ML&P has emerged to serve a city with approximately half the population of the state at rates which are among the lowest in Alaska and that compare favorably with those of many metropolitan areas in the lower 48 states. ML&P has evolved into an acknowledged energy leader by being customer oriented, innovative, and responsive to customers' needs for safe, economical, and reliable electrical service.

When the Alaska Engineering Commission (AEC) initiated electrical service in Anchorage in 1916, Anchorage was just a small tent city in the wilderness. The City operated the electrical distribution system under a lease agreement, first with the AEC and later with the Alaska Railroad. This lease agreement continued until 1932 when the citizens of the young city bought the electrical distribution system for \$11,351.

A small steam plant and diesel power generators supplied Anchorage with electricity until 1929 when the private Anchorage Power & Light Company began supplying the community with electricity from a hydroelectric power plant on the Eklutna River, 40 miles northeast of Anchorage. The City acquired the Eklutna Plant from the Anchorage Power & Light Company in 1943. In 1955, the City contracted for 16,000 kilowatts (kW) of the generating capacity of a new Eklutna Hydroelectric power project of the U.S. Bureau of Reclamation and transferred "Little Eklutna" to that federal agency.

Between 1962 and 1984, ML&P installed seven turbine generating units fired by natural gas and one heat recovery steam turbine generating unit. Each of the seven turbines has dual-fuel capability, which enhances ML&P's reliability in the event of a disruption of the natural gas transportation system. In addition to its two power plants, ML&P operates twenty modern substations and is the south-end controller of the Anchorage-Fairbanks Intertie.

In late 1996, the Municipality purchased a one-third working interest in the Beluga River Gas Field, which establishes a guaranteed fuel supply and serves as a means to stabilize fuel prices for years to come. In 1997, ML&P in association with Chugach Electric Association and Matanuska Electric Association purchased the Eklutna Hydroelectric Project from the federal government.

Services

ML&P's service area encompasses 19.9 contiguous square miles including a large portion of the commercial and high-density residential areas of the Municipality. In 2000, the average number of residential and commercial customers was 23,726 and 5,913 respectively. Approximately twenty percent of ML&P's customer base consumes eighty percent of its output.

In 2000, electric retail sales totaled 865,280 MWh and earned revenues of \$67,243,961. Total electric operating revenues including Miscellaneous Operating Revenue, Sales for Resale and Water Diversion Compensation was \$73,284,920. Total gas operating revenues totaled \$7,328,299. ML&P also has agreements to supply Fort Richardson Army Base and Elmendorf Air Force Base with interruptible wholesale electric service.

Regulation

ML&P is subject to economic regulation by the Regulatory Commission of Alaska (RCA) which is composed of five members appointed to six-year staggered terms by the Governor and confirmed by the State Legislature. RCA regulation encompasses service area definition, tariff rules and regulations, service quality criteria and establishment of recurring rates and miscellaneous fees and charges.

The Utility is also advised by the ML&P Commission which was created in 1963 and is composed of seven members appointed to staggered three-year terms by the Mayor with the approval of the Anchorage Assembly. The General Manager of ML&P serves in an ex officio capacity as Executive Secretary of the Commission.

The Commission reviews electric service policies and practices and also reviews the budget and operations of ML&P. From these reviews, the Commission annually submits recommendations to the Mayor. It conducts public hearings on matters pertaining to electric rates, regulations and related matters and makes recommendations to the Mayor and Assembly. It normally holds one meeting per month and calls special meetings as the need arises.

Environmental Mandates

Mandates from the Federal and State Governments continue to have a large impact on ML&P. The Federal Clean Air Act Amendments of 1990 continue to be implemented, with significant impact to the cost of power plant operating permits, as well as costs associated with compliance assurance. Recent changes to State contaminated site cleanup regulations provide greater flexibility in the way such areas receive closure, but will increase the number of sites for which closure will need to be obtained. Recent revisions to PCB regulations will add to the cost of

training and compliance determination. Oil spill prevention regulations continue to add costs to ML&P's operations.

Electric and Gas Plant

ML&P generates, purchases, transmits and distributes electric power and has a one-third working interest in the Beluga River Gas Field.

- Power Generated/Purchased in 2000 **1,075,715 MWh**
 - ML&P Generated 892,512 MWh 82.97%
 - Purchased:
 - Eklutna Hydroelectric Project 93,977 MWh 8.74%
 - Bradley Lake Project 89,226 MWh 8.29%

- Total Generation capacity in 2000 **328 Megawatts (MW)**
 - Power Plant Number One (4 Turbines) 85 MW 25.91%
 - Power Plant Number Two (4 Turbines) 243 MW 74.09%
 - Seven Gas-Fired Turbines
 - One Heat Recovery Turbine
 - All equipped to use No. 2 fuel oil as an alternate fuel

- Reserve Capacity Margin in 2000 **150 Megawatts (MW)**

- Transmission/Distribution System in 2000 **351 Miles**
 - Underground Cable 207 Miles 58.97%
 - Overhead Line 144 Miles 41.03%
 - 20 Total Substations

- Net Electric Plant as of December 31, 2000 **\$167,667,865**

- Net Gas Plant as of December 31, 2000 **\$105,028,553**

- ML&P has a 53.33% ownership interest in the Eklutna Hydroelectric Project, which has 44 MW of installed capacity.

- Pursuant to the Power Sales Agreement with the Alaska Energy Authority, ML&P is required to purchase 25.9% of the output of the Bradley Lake Project, which has 126 MW of installed capacity.

Municipal Light & Power **2002 Budget Assumptions**

The 2002 contract price of gas is established by the average price of 2001 third quarter Light Sweet Crude Oil futures. It is estimated that the 2002 contract price of gas, per thousand cubic feet (MCF), will increase approximately 28% over the 2001 contract price. ML&P will buy its fuel from Chevron U.S.A. and Phillips Petroleum at a higher contract price than last year, but will sell to Chugach Electric Association, Inc. (CEA) and ENSTAR at a lower contract price. This will result in ML&P's Gas Revenue decreasing by \$1.8 million due to the lower contract price and a decrease in net volume sales.

The transfer price of gas from the Gas Division to the Electric Division will increase in 2002 from \$1.50 per MCF, plus any taxes and royalties to 93.3% of the contract price. This proposal is before the Regulatory Commission of Alaska (RCA) and is scheduled for hearing in November 2001.

Municipal Light & Power

2002 Highlights and Future Events

Management Organization

ML&P's functional organizational structure is tailored to facilitate business mobility in a dynamic electric industry environment and consists of three core business units: Energy Production, Engineering and Operations, and Business Enterprises, all under the direction of the General Manager. This organizational structure has proven itself appropriate by enhancing internal efficiency, facilitating more rapid and effective decision making, and better integrating work flow between divisions – all with the goal of assuring that customer service and satisfaction remains a primary focus.

Rate Stability

ML&P has had no general rate increase for the last seven years and 2002's proposed budget again seeks no increase in rates. In real dollar terms, after adjusting for inflation during this period of time, ML&P's cost of service to its customers has decreased by nine percent.

Integrated Resource Planning

ML&P is at a point from a life cycle perspective where it must give consideration to making significant generation and transmission capital additions over the next few years. Consequently, ML&P will, during 2002, devote a considerable amount of time engaging in Integrated Resource Planning. Matters for consideration will include: 1) how much and what types of generation improvements or additions to make, 2) how best to meet ML&P's spinning reserve and black start obligation for the Railbelt, 3) how to most effectively utilize our hydro-electric resources, 4) what level of SCADA (Supervisory Control and Data Acquisition) is necessary to insure a high degree of system reliability, 5) what improvements must be made to the transmission and distribution system to increase redundancy and system reliability, and 6) how best to incorporate the benefits associated with modern Geographic Information System and Power Outage Management Systems into our business practices.

Enterprise Resource Planning (ERP)

Following in the footsteps of a successful implementation of a new financial information and human resource management system (PFISHER), ML&P will continue during 2002 to take this implementation of the PeopleSoft system to its next logical step – implementation of the Enterprise Resource Planning (ERP) concept. ERP is the process of defining architectures (data, application, and technology) for the use of information in support of the business, with the intended goal of improving efficiency. ML&P feels this effort will not only further its ability to adapt to changing business needs but will also enhance its ability to contain costs, thus delivering more value to its customers.

E-commerce

ML&P's new web site has proven to be a communication source that has helped to streamline the Utility's business processes. This site, developed internally, offers a comprehensive on-line customer service center, important safety and efficiency information, news briefs on the electric industry, general utility information, and a convenient pay on-line option.

In the spring of 2001 ML&P continued enhancing its customer service center by offering new e-commerce services. These services are available to customers 24-hours a day, 7 days a week. They include:

- On-line bill presentment
- On-line payment options
- Account history information
- Direct e-mail access to our customer service center

While providing more convenience to our customers these services also provide ML&P further savings on day-to-day customer accounts costs. In relation to this effort, ML&P now provides customers with the ability to pay their monthly utility bill at any one of the ten First National Bank locations throughout Anchorage and Eagle River.

Commercial Key Accounts Program

ML&P administers a Key Accounts Program, which provides our commercial customers with an increased level of customer service and satisfaction by providing the customer with a single point of contact, account history analyses and assistance with specific energy needs.

Community Service

ML&P continues to support the Anchorage community through sponsorships, participation in special events and employee donations. Some of these activities include:

- Anchorage Chamber of Commerce
- Military appreciation events
- Anchorage Fur Rendezvous
- Adopt a Flowerbed Program
- Alaska Iditarod Race
- Municipal Employee Fundraising Campaign
- City Wide Clean-Up Week
- The Imaginarium
- KAKM
- Big Brothers Big Sisters
- Trick or Treat Town
- City of Lights
- Anchorage School District "Power In Pictures" Contest
- Anchorage Home Builders Assoc.

Municipal Light & Power

11-Year Summary

Utility Format - 2002 Operating Budget (in 000's)

	Actuals					Proforma		Forecast				
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	
Financial Overview:												
Revenues	\$85,873	\$84,582	\$82,155	\$84,569	\$85,542	\$90,263	\$91,834	\$91,917	\$90,899	\$91,501	\$92,301	
Expenses (1)	80,232	78,499	73,783	76,098	77,199	83,686	85,056	83,217	82,469	80,845	86,685	
Net Income (Regulatory)	5,641	6,083	8,372	8,470	8,343	6,577	6,779	8,700	8,430	10,656	5,616	
Work Force Authorized per Budget	229	229	230	230	234	234	235	235	235	235	235	
Capital Improvements	14,029	12,429	11,076	13,927	15,694	17,245	21,235	19,594	21,401	26,205	42,734	
Bond Sales	-	-	-	-	-	-	58,620	-	-	-	58,620	
Net Non-Contributed Plant (12/31) (REG)	272,194	261,373	263,651	260,416	258,569	258,501	262,319	263,870	266,580	270,383	289,475	
Net Contributed Plant (12/31)	10,912	11,300	11,235	12,280	14,033	14,733	14,415	14,080	13,728	13,358	12,971	
Net Electric Plant (12/31) (GAAP)	283,106	272,673	274,886	272,696	272,601	273,234	276,734	277,950	280,308	283,742	302,446	
Retained Earnings (12/31)	67,138	73,308	81,683	90,916	99,258	105,835	112,614	121,314	129,744	140,400	146,016	
General Cash	20,266	25,265	24,703	25,185	22,272	18,568	19,808	28,933	36,217	33,443	43,968	
Bond Construction Cash	4,998	-	-	-	-	-	40,804	22,187	3,473	-	19,110	
Bond Redemption Investment	25,794	25,472	24,721	24,337	24,729	24,729	29,005	29,005	29,005	28,986	31,796	
Debt Service Account	6,201	7,281	6,571	6,899	6,625	6,427	7,549	7,852	7,730	7,727	7,779	
Operating Fund Investment & Customer Deposits	6,561	6,505	6,493	6,373	6,722	6,525	7,630	7,480	7,387	7,843	8,031	
Total Cash & Investments (12/31)	63,820	64,523	62,488	62,794	60,349	56,249	104,797	95,457	83,813	77,998	110,684	
IGCs - General Government	1,510	1,732	2,042	2,542	2,375	3,000	3,145	3,293	3,447	3,609	3,783	
MUSA	2,245	2,296	2,186	2,153	2,184	2,229	2,293	2,361	2,420	2,565	2,901	
Total Outstanding Debt	309,348	300,028	290,145	279,815	268,525	257,230	304,656	291,022	276,859	261,940	305,963	
Total Annual Debt Service	25,941	26,966	26,554	26,159	26,990	26,435	30,079	31,076	30,930	30,923	34,324	
Debt Service Coverage	1.65	1.60	1.66	1.65	1.57	1.53	1.45	1.49	1.48	1.64	1.42	
LT Debt/Equity Ratio	82.2/17.8	80.4/19.6	78.0/22.0	75.5/24.5	73.0/27.0	70.8/29.2	73.0/27.0	70.6/29.4	68.1/31.9	65.1/34.9	67.7/32.3	
Rate Change Percent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.00%	0.00%	0.00%	4.00%	0.00%	
Electric Statistical/Performance Trends:												
Residential Customer (500 kWh) (2)	\$49.08	\$47.91	\$47.96	\$47.99	\$47.50	\$50.78	\$53.01	\$52.35	\$51.87	\$54.29	\$54.65	
Total Residential Sales (kWh)	144,108	144,719	150,492	148,289	148,300	148,597	148,894	149,192	149,788	150,388	150,989	
Commercial & Industrial Sales (kWh)	687,804	692,411	710,778	709,163	713,558	718,553	722,864	725,756	728,659	731,573	734,500	
Total Kilowatt Hour Sales (kWh)	831,912	837,131	861,270	857,452	861,858	867,150	871,758	874,947	878,447	881,961	885,489	
Total Sales Revenue (in Dollars)	\$67,999	\$68,647	\$69,329	\$66,987	\$68,123	\$74,773	\$78,030	\$77,122	\$76,553	\$80,555	\$81,524	

(1) The transfer price of gas to ML&P's Electric Division is \$1.50/MCF for the years 1997 through 2001. The transfer price of gas per MCF increases to 93.3% of contract price from 2002 until full recovery of the deferred asset.

(2) Rates for Electric Residential customers as of March 31 each year using 500 kWh and including Cost of Power Adjustment.

NOTE: Rate increases are shown in the out years for purposes of projections only and have not been approved for implementation. It is intended that they be reviewed closely each year in conjunction with establishing operating budgets. Utilities will continue to strive to find ways to avoid projected rate increases.

Municipal Light & Power
2002 Work Force Projections

<u>Division:</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Administration	12	12	12	12	12	12	12
Marketing	2	3	3	3	3	3	3
Systems & Communications	21	21	21	21	21	21	21
Energy Production							
Generation	52	52	52	52	52	52	52
Power Management	16	16	16	16	16	16	16
Engineering & Operations							
Engineering	23	23	24	24	24	24	24
Operations	53	52	52	52	52	52	52
Business Enterprises							
Customer Service	28	28	28	28	28	28	28
Finance	27	27	27	27	27	27	27
Subtotal	<u>234</u>	<u>234</u>	<u>235</u>	<u>235</u>	<u>235</u>	<u>235</u>	<u>235</u>
Part-Time/Temporary Positions	<u>23</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>
Total	<u>257</u>	<u>258</u>	<u>259</u>	<u>259</u>	<u>259</u>	<u>259</u>	<u>259</u>

Municipal Light & Power

2002 Proposed Operating Budget

Statement of Revenue and Expenses

	<u>2000</u> <u>Actual</u>	<u>2001</u> <u>Proforma</u>	<u>2002</u> <u>Budget</u>
Operating Revenue			
Residential	\$13,890,822	\$14,020,000	\$15,092,000
Commercial & Industrial	59,160,521	62,890,000	66,576,000
Public Highway & Street Lighting	1,114,511	1,127,000	1,163,000
Public Authority	149,256	246,000	277,000
Sales for Resale	5,032,632	2,307,000	2,714,000
Miscellaneous Service Revenue	404,945	390,000	420,000
Rent from Electric Property	144,472	150,000	150,000
Miscellaneous Revenue	433,233	420,000	420,000
Total Operating Revenue	80,330,391	81,550,000	86,812,000
Operating Expense			
Production Expense	23,734,736	24,411,000	29,702,000
Transmission Expense	546,277	550,000	564,000
Distribution Expense	5,396,128	5,866,000	6,442,000
Customer Account Expense	2,584,170	2,414,000	2,475,000
Customer Service & Information	231,937	379,000	482,000
Administrative & General Expense	5,083,668	5,247,000	6,189,000
Regulatory Compliance	798,264	866,000	724,000
Depreciation Electric Plant (1)	15,558,429	15,357,000	15,737,000
Amortization of Intangible Plant	403,802	404,000	404,000
Amortization of Plant Acquisition	111,184	112,000	112,000
Municipal Utility Service Assessment	2,153,418	2,184,000	2,229,000
Taxes Other than Income	930,759	1,191,000	1,223,000
Total Operating Expense	57,532,772	58,981,000	66,283,000
Operating Income	\$22,797,620	\$22,569,000	20,529,000

(1) Excludes Contributed Plant

2001 Proforma as of 6/30/01

Municipal Light & Power
2002 Proposed Operating Budget

Statement of Revenue and Expenses

	2000 Actual	2001 Proforma	2002 Budget
Non-Operating Revenue			
Interest from Operating Reserve	\$319,008	\$329,000	\$334,000
Interest from Bond Redemption Cash	1,347,654	1,361,000	1,369,000
Interest from General Cash Pool	1,967,911	1,700,000	1,139,000
Interest from Debt Service Account	488,999	512,000	519,000
Miscellaneous Non-Operating Revenue	114,664	90,000	90,000
Total Non-Operating Revenue	4,238,236	3,992,000	3,451,000
Non-Operating Expense			
Community Promotion	267,700	300,000	350,000
Interest on Bonded Debt	15,789,539	15,676,000	15,039,000
Amortization of Bond Discount/Premium	(608,785)	(583,000)	(570,000)
Amortization of Bond Sale Cost & Insurance	330,082	313,000	295,000
Amortization of Loss on Refunded Debt	3,066,950	2,882,000	2,679,000
Other Interest Expense	76,528	10,000	10,000
Interest During Construction	(356,616)	(380,000)	(400,000)
Total Non-Operating Expense	18,565,398	18,218,000	17,403,000
Net Income (Regulatory)	\$8,470,458	\$8,343,000	6,577,000
Adjustments for GAAP			
Depreciation of Contributed Plant	(660,290)	(680,000)	(760,000)
Restricted Interest Income	447	0	0
Net Income (GAAP)	\$7,810,615	\$7,663,000	5,817,000

2001 Proforma as of 6/30/01

Municipal Light & Power
2002 Proposed Operating Budget

Statement of Cash Sources and Cash Uses

	2000	2001	2002
	Actual	Proforma	Budget
Sources of Cash Funds			
Net Income GAAP	\$7,810,615	\$7,663,000	\$5,817,000
Depreciation/Depletion	16,733,705	16,553,000	17,013,000
Amortized Bond Discount/Premium	(608,785)	(583,000)	(584,000)
Amortization of Bond Sale Costs	330,082	313,000	296,000
Amortization of Refunded Debt	3,066,950	2,882,000	2,679,000
Bond Proceeds	-	-	-
Deferred Charges and Other Assets	(3,649,514)	(3,244,000)	(1,803,000)
Contributions	1,705,683	2,500,000	1,500,000
Changes in Assets and Liabilities	(825,825)	(1,544,539)	(477,932)
Total Sources of Cash Funds	24,562,911	24,539,460	24,440,068
Uses of Cash Funds			
Additions to Plant	13,926,843	15,695,000	17,245,000
Debt Retirement Long-Term	10,330,000	11,290,000	11,295,000
Bond Refunding	-	-	-
Total Uses of Cash Funds	24,256,843	26,985,000	28,540,000
Net Increase (Decrease) in Cash Funds	306,067	(2,445,540)	(4,099,932)
Cash Balance January 1	62,488,417	62,794,484	60,348,944
Cash Balance December 31	<u>\$62,794,484</u>	<u>\$60,348,944</u>	<u>\$56,249,012</u>
Detail of Cash & Investment Balance			
General Cash Less Customer Deposits	\$25,185,449	\$22,272,496	\$18,568,219
Bond Cash	-	-	-
Bond Investment	31,236,009	31,354,074	31,156,146
Special Investment	6,373,026	6,722,374	6,524,647
Cash Balance December 31	<u>\$62,794,484</u>	<u>\$60,348,944</u>	<u>\$56,249,012</u>

2001 Proforma as of 6/30/01

Municipal Light & Power
2002 Proposed Operating Budget

2002 Operating Budget Detail

	2000	2001	2002
	Actual	Proforma	Budget
Labor Expenses			
Personnel Costs	\$11,218,017	\$11,250,000	\$12,200,000
Benefit Costs	5,942,728	6,000,000	6,600,000
	<hr/>	<hr/>	<hr/>
Subtotal	17,160,745	17,250,000	18,800,000
Intergovernmental Expenses			
MIS Operations	636,031	285,000	65,000
Financial Information Systems	341,874	287,000	410,000
Mayor	319,323	352,000	850,000
Self-Insurance-General Liability	228,512	299,000	325,000
Self-Insurance-Worker's Compensation	135,328	152,000	150,000
Purchasing	120,191	77,000	-
Payroll	113,239	116,000	120,000
Other Intergovernmental Charges	647,954	807,000	1,080,000
	<hr/>	<hr/>	<hr/>
Subtotal	2,542,452	2,375,000	3,000,000
Other Expenses			
Depreciation, Depletion & Amortization	19,521,952	19,165,000	19,418,000
Interest on Long-Term Debt	15,789,539	15,676,000	15,039,000
Natural Gas Purchases & Transportation	14,868,707	14,370,000	17,955,000
Purchased Power	3,330,556	3,500,000	3,600,000
MUSA	2,153,418	2,184,000	2,229,000
Gas Non-Fuel Production Expense	1,160,597	1,354,000	1,492,000
Taxes Other than Income	930,759	1,191,000	1,223,000
Regulatory Compliance	582,951	646,000	504,000
Professional Services	548,011	689,000	679,000
Deferred Regulatory Cost	(3,509,552)	(3,104,000)	(1,803,000)
Interest During Construction	(356,616)	(380,000)	(400,000)
Materials & Other Expenses	2,034,941	2,963,000	2,710,000
	<hr/>	<hr/>	<hr/>
Subtotal	57,055,263	58,254,000	62,646,000
	<hr/>	<hr/>	<hr/>
Total Expenses	\$76,758,460	\$77,879,000	\$84,446,000

2001 Proforma as of 6/30/01

Municipal Light & Power

2002 - 2007 Capital Improvement Budget (\$000)

<u>Project Category:</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>Total</u>
Production	\$5,935	\$11,638	\$10,488	\$12,365	\$10,240	\$25,565	\$76,231
Transmission	25,060	1,010	615	615	4,665	1,065	33,030
Distribution	5,057	7,745	8,043	7,830	8,840	7,970	45,485
General Plant	3,048	5,858	4,266	5,175	5,883	4,983	29,213
Regulatory Compliance	50	50	50	50	50	50	300
Beluga River Gas Field	850	3,500	1,000	2,750	1,000	3,300	12,400
Total Capital Budget	<u>\$40,000</u>	<u>\$29,801</u>	<u>\$24,462</u>	<u>\$28,785</u>	<u>\$30,678</u>	<u>\$42,933</u>	<u>\$196,659</u>

<u>Source of Funding</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>Total</u>
G.O. Bonds	-	-	-	-	-	-	-
Revenue Bonds	-	26,301	23,462	10,237	-	39,633	99,633
Loans	-	-	-	-	-	-	-
Equity/Operations	14,150	-	-	15,798	29,678	-	59,626
Beluga Operations	850	3,500	1,000	2,750	1,000	3,300	12,400
State Grant	25,000	-	-	-	-	-	25,000
Federal Grant	-	-	-	-	-	-	-
Direct Appropriation	-	-	-	-	-	-	-
Total Capital Budget	<u>\$40,000</u>	<u>\$29,801</u>	<u>\$24,462</u>	<u>\$28,785</u>	<u>\$30,678</u>	<u>\$42,933</u>	<u>\$196,659</u>

*Approximately \$5 million in personnel costs will be spent on capital projects during 2002.