

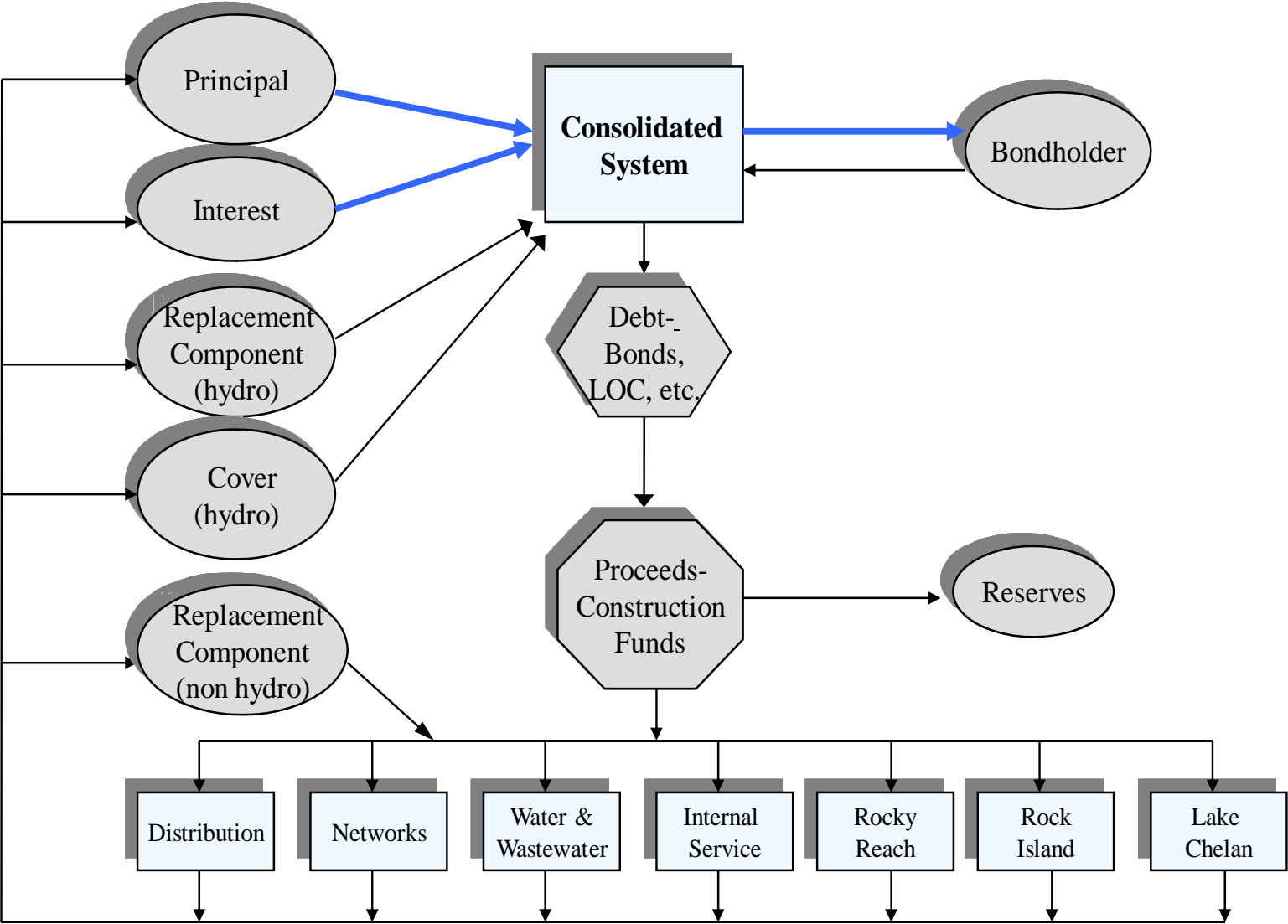
CHELAN COUNTY PUD CAPITAL FUNDING PLAN 2008-2012

Presented by Debbie Litchfield, Treasurer
November 24, 2008

USE OF FUNDS & SOURCE OF FUNDS

- Uses of Funds – Capital Programs
- Sources of Funds:
 - Existing Funds Allocated
 - Bond Funds – proceeds from bonds issued
 - Loans & Construction Funds – internal loans and other balances available
 - CIAC – Contributions In Aid of Construction
 - R&C – Reserve & Contingency (bond resolution/power contract required payments)
 - Replacement Recovery/Capital Reserves

CONSOLIDATED SYSTEM MECHANICS



SOURCES OF FUNDS

- Replacement Recovery & Capital Reserves
 - Associated with Consolidated System debt
 - Amounts accumulated in advance of actual principal payment on bonds
 - The principal replacement component is deposited into a special fund
 - Replacement Recovery - Hydro Systems – balance \$65MM
 - Capital Reserve - Non-Hydro Systems – balance \$7MM
 - Amounts on deposit in such funds may be used to reloan back to the respective system for additional capital items or for future debt reduction
 - Purpose – maximize limited tax exempt funding
- Cash (Revenues/Reserves)
- Future External Borrowings/Other Financing Alternatives

ESTIMATED CAPITAL PLANS (\$000)

(As of 11/17/08)

System	Bal '08	2009	2010	2011	2012	Total
Distribution Division	\$ 4,658	\$ 21,858	\$ 19,201	\$ 15,036	\$ 17,623	\$ 78,376
Networks	2,192	9,930	9,382	8,983	8,835	39,321
Water	1,371	6,795	5,707	2,233	2,482	18,588
Wastewater	36	59	67	75	83	320
Internal Service System	1,357	3,177	3,555	3,595	5,095	16,779
Rocky Reach System	1,260	5,543	11,602	20,680	6,191	45,276
Rock Island System	9,249	20,916	38,631	57,931	38,047	164,774
Lake Chelan Project	<u>5,745</u>	<u>24,605</u>	<u>11,065</u>	<u>1,462</u>	<u>1,155</u>	<u>44,032</u>
Total Capital Requirements	\$ 25,868	\$ 92,883	\$ 99,210	\$ 109,995	\$ 79,511	\$ 407,467

ANTICIPATED FUNDING PLAN (\$000)

Existing Bonds, Loans and/or Construction Fund Cash

System	Bal '08	2009	2010	2011	2012	Total
Distribution Division	\$ 4,591	\$ 19,225	\$ 16,489	\$ 12,243	\$ 514	\$ 53,062
Networks	2,192	4,442	0	0	0	6,634
Water	1,371	6,032	5,512	256	0	13,171
Wastewater	36	10	6	13	19	84
Internal Service System	1,357	3,177	3,555	3,595	5,095	16,779
Rocky Reach System	943	0	0	0	0	943
Rock Island System (*)	9,231	19,485	0	0	0	28,716
Lake Chelan Project (*)	5,745	23,420	0	0	0	29,165
Total Amount Funded	\$ 25,466	\$ 75,791	\$ 25,562	\$ 16,107	\$ 5,628	\$ 148,554

*Assumes loans from repaid Rocky Reach Replacement Recovery (\$25 million to Rock Island, \$20 million to Lake Chelan).

ANTICIPATED FUNDING PLAN (\$000)

Contributions In Aid of Construction & Reserve & Contingency

System	Bal '08	2009	2010	2011	2012	Total
Distribution Division	\$ 67	\$ 2,633	\$ 2,712	\$ 2,793	\$ 2,877	\$ 11,082
Water	-	763	195	201	207	1,366
Wastewater	-	49	61	62	64	236
Rocky Reach	36	389	-	-	-	425
Rock Island	18	75	4,000	5,000	5,000	14,093
Total Amount Funded	\$ 121	\$ 3,909	\$ 6,968	\$ 8,056	\$ 8,148	\$ 27,202

Accumulated Replacement Recovery and Capital Reserve Funds

System	Bal '08	2009	2010	2011	2012	Total
Networks	\$ 0	\$ 5,488	\$ 8,317	\$ 6,496	\$ 6,837	\$ 27,138
Rocky Reach System	281	5,154	11,602	20,680	6,191	43,908
Rock Island System	0	1,356	7,771	6,685	3,315	19,127
Lake Chelan Project	0	1,172	857	961	1,011	4,001
Total Amount Funded	\$ 281	\$ 13,170	\$ 28,547	\$ 34,822	\$ 17,354	\$ 94,174

ANTICIPATED FUNDING PLAN (\$000)

Estimated from Future Cash

System	Bal '08	2009	2010	2011	2012	Total
Distribution Division	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,232	\$ 14,232
Networks	0	0	1,064	2,487	1,997	5,549
Water	0	0	0	1,776	2,275	4,051
Total Amount Funded	\$ 0	\$ 0	\$ 1,064	\$ 4,263	\$ 18,504	\$ 23,832

Anticipated Future External Borrowings or Other Alternatives

System	Bal '08	2009	2010	2011	2012	Total
Rock Island System	\$ 0	\$ 0	\$ 26,860	\$ 46,246	\$ 29,732	\$ 102,838
Lake Chelan	0	13	10,208	501	144	10,866
Total Amount Funded	\$ 0	\$ 13	\$ 37,068	\$ 46,747	\$ 29,876	\$ 113,704

SUMMARY – SOURCES & USES (\$000)

(As of 11/17/08)

Uses of Funds	Bal '08	2009	2010	2011	2012	Total
Total Capital Requirements	\$ 25,868	\$ 92,883	\$ 99,210	\$ 109,995	\$ 79,511	\$ 407,467

Sources Of Funds	Bal '08	2009	2010	2011	2012	Total
Existing Bond, Loan, Construction Cash	\$ 25,466	\$ 75,791	\$ 25,562	\$ 16,107	\$ 5,628	\$ 148,554
CIAC & R&C Funding	121	3,909	6,968	8,056	8,148	27,202
Accumulated Replacement Recovery & Capital Reserves	281	13,170	28,547	34,822	17,354	94,174
Funded from Future Cash	0	0	1,064	4,263	18,504	23,832
Anticipated Future Borrowings	0	13	37,068	46,747	29,876	113,704
Total Funding Plan	\$ 25,868	\$ 92,883	\$ 99,210	\$ 109,995	\$ 79,511	\$ 407,467

All District capital programs are funded through 2009.

Questions?
