Intermountain Power Agency

Annual Budget

Fiscal Year 2005-2006

IPA

Intermountain Power Agency

_____ DISTRICT

_____ YEAR

CERTIFICATION OF BUDGET

RECEIVED
JUL 06 2005
STATE AUDITOR

ADOPTION OF BUDGET INFORMATION:

In compliance with Title 17A, Part 4 of the *Utah Code*, I, the undersigned, certify that the attached budget document is a true and correct copy of the budget of Intermountain Power Agency for the fiscal year ending 6-30-2006, _____, as approved and adopted by resolution on N/A, _____. A public hearing, which met the requirements of the *Utah Code*, section (indicate which):

[X] 17A-1-412 and 413, (applicable to entities who are adopting a budget prior to beginning of the fiscal year)

[ ] 59-2-918 and 919, (applicable to entities who have budgeted a tax rate increase)

was held on Not Applicable.

Signed: _____
Budget Officer

Subscribed and sworn to this 30th

day of June, 2005

Krista R Paull
(Notary Public)

KRISTA R PAULL
NOTARY PUBLIC • STATE of UTAH
10653 SOUTH RIVER FRONT PARKWAY #120
SOUTH JORDAN UT 84095
COMMISSION EXPIRES: 08-01-2007

Intermountain Power Agency

RECEIVED
JUL 06 2005
STATE AUDITOR

June 23, 2005

TO: IPP Participants and Interested Parties

RE: IPA Annual Budget for FY 2005-2006

Enclosed is the Intermountain Power Agency Annual Budget for Fiscal Year 2005-2006.

The Annual Budget incorporates the Operating Budget, prepared by the Los Angeles Department of Water and Power as Operating Agent for the Project. The Operating Budget was previously reviewed by representatives of each Participant, the IPA staff and Consultants. The Operating Agent presented the Budget to the IPP Coordinating Committee who approved it on May 23, 2005. The IPA Board of Directors adopted this Annual Budget at its regular meeting held the same day.

The Annual Budget serves as the basis for billing power costs to the power purchasers. The Budget will be reviewed periodically throughout the fiscal year and will be revised if necessary to ensure that revenues are adequate to cover all costs.

Appreciation is extended to the staff from our various organizations that combined their efforts to plan, present, and complete the budget in a timely and successful manner.

Sincerely,

Reed T. Searle
General Manager

10653 South River Front Parkway, Suite 120, South Jordan, Utah 84095
(801) 938-1333 Fax (801) 938-1330

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

LIST OF EXHIBITS

EXHIBIT A	Operating Budget Summary
EXHIBIT B	Summary of Revenues and Required Deposits
EXHIBIT C	Purchasers' Share of Budget * Entitlement Shares of Project Purchasers * Summary of Annual Budgeted Amounts
EXHIBIT D	IPP Annual Cost Estimate * Current Purchasers' Cost of Power * Purchasers' Cost of Power Net of IPP Prepayment Agreement Note Payments
EXHIBIT E	Projected Reinvestment Earnings
EXHIBIT F	Tax Schedules * Utah In Lieu of Ad Valorem Taxes * Gross Receipts Tax
EXHIBIT G	Operating Budget

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

OPERATING BUDGET SUMMARY
($000)

	Minimum Cost Component	Generating Station	Northern Transmission	Southern Transmission	Total
1.	Gross Debt Service:				
	Debt Service	$304,067	$7,711		$311,778
	Ongoing Financing Expenses	4,876	124		5,000
	Total	308,943	7,835		316,778
	Credit Applied -				
	Reinvestment Earnings	($14,804)	($359)	($396)	($15,560)
	R&C Fund Reimbursement Required by the Investment Policy	$6,051	$153		$6,204
	Net Reinvestment Earnings	($8,753)	($206)	($396)	($9,356)
	Net Debt Service	300,189	7,629	(396)	307,422
2.	Operations	22,679	828	6,079	29,586
3.	Maintenance	30,859	471	5,378	36,707
4.	Renewals & Replacements	26,101	239	218	26,558
5.	Indirect Labor (IPSC)	18,414		764	19,178
6.	Taxes	17,161	491	3,846	21,498
7.	Risk Management	2,627	32	604	3,263
8.	Administrative & General*	7,708	66	215	7,989
9.	Fixed Fuel	189,286			189,286
	Total Minimum Costs	615,023	9,756	16,707	641,487
10.	Variable Cost Component	36			36
	TOTAL OPERATING BUDGET	$615,059	$9,756	$16,707	$641,523

* Excludes SCPPA.

NOTE: Columns/Rows may not add due to rounding.

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

SUMMARY OF REVENUES AND REQUIRED DEPOSITS
($OOO)

REVENUES:	Total
Total Projected Revenues to be Received into Revenue Fund	$657,083
Projected Reinvestment Earnings	(15,560)
Amount to be billed to Purchasers taking power	$641,523

REQUIRED DEPOSITS:		
Operating Fund		
Operations	$29,586	
Maintenance	36,707	
Indirect Labor (IPSC)	19,178	
Taxes	21,498	
Risk Management	3,263	
Administrative & General	7,989	
Fixed Fuel Costs	189,286	
Variable Fuel Costs	36	
Ongoing Financing Expenses	5,000	$312,543
Debt Service Fund - Debt Service Account		168,465
Subordinated Indebtedness Fund - Debt Service Account		127,753
Reserve and Contingency Fund		
- Renewal and Replacement Account		26,558
- Reserve Account		6,204
Total Required Deposits		$641,523

NOTE: Columns/Rows may not add due to rounding.

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

PURCHASERS' SHARE OF BUDGET
ENTITLEMENT SHARES OF PROJECT PURCHASERS

	Intermountain Generating Station	Estimated Excess Power Sales Adjustment	Estimated Entitlement	Northern Transmission System	Southern Transmission System
California Purchasers					
Los Angeles Department of Water & Power	44.617%	17.578%	62.195%		59.534%
Anaheim	13.225%	0.000%	13.225%		17.647%
Riverside	7.617%	0.000%	7.617%		10.164%
Pasadena	4.409%	1.539%	5.948%		5.883%
Burbank	3.371%	0.770%	4.141%		4.498%
Glendale	1.704%	0.485%	2.189%		2.274%
Subtotal	74.943%	20.372%	95.315%		100.000%
Utah Power & Light	4.000%	0.000%	4.000%		
Utah Municipal Purchasers					
Murray City	4.000%	-3.955%	0.045%	18.996%	
Logan City	2.469%	-2.404%	0.065%	11.725%	
Bountiful	1.695%	-1.196%	0.499%	8.050%	
Kaysville City	0.739%	-0.734%	0.005%	3.510%	
Heber Light & Power	0.627%	-0.623%	0.004%	2.978%	
Hyrum City	0.551%	-0.548%	0.003%	2.617%	
Fillmore City	0.512%	-0.512%	0.000%	2.431%	
Ephraim	0.503%	-0.487%	0.016%	2.389%	
Lehi City	0.430%	-0.401%	0.029%	2.042%	
Beaver City	0.413%	-0.413%	0.000%	1.961%	
Parowan City	0.364%	-0.362%	0.002%	1.729%	
Price	0.361%	-0.361%	0.000%	1.714%	
Mount Pleasant	0.357%	-0.357%	0.000%	1.695%	
Enterprise	0.199%	-0.198%	0.001%	0.945%	
Morgan City	0.190%	-0.185%	0.005%	0.902%	
Hurricane	0.147%	-0.139%	0.008%	0.698%	
Monroe City	0.130%	-0.129%	0.001%	0.617%	
Fairview	0.120%	-0.120%	0.000%	0.570%	
Spring City	0.060%	-0.060%	0.000%	0.285%	
Holden	0.048%	-0.048%	0.000%	0.228%	
Meadow	0.045%	-0.045%	0.000%	0.214%	
Kanosh	0.040%	-0.040%	0.000%	0.190%	
Oak City	0.040%	-0.040%	0.000%	0.190%	
Subtotal	14.040%	-13.356%	0.684%	66.676%	
Cooperative Purchasers					
Moon Lake	2.000%	-2.000%	0.000%	9.498%	
Mt. Wheeler	1.786%	-1.786%	0.000%	8.482%	
Dixie-Escalante	1.534%	-1.534%	0.000%	7.285%	
Garkane	1.267%	-1.267%	0.000%	6.017%	
Bridger	0.230%	-0.230%	0.000%	1.092%	
Flowell	0.200%	-0.200%	0.000%	0.950%	
Subtotal	7.017%	-7.017%	0.000%	33.324%	
TOTAL	100.000%	0.000%	100.000%	100.000%	100.000%

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

PURCHASERS' SHARE OF BUDGET
SUMMARY OF ANNUAL BUDGETED AMOUNTS (1)
($000)

	Minimum Cost Component (2)						
	Entitlement Share						
	Intermountain Generating Station	Northern Transmission System	Southern Transmission System	Estimated Excess Power Sales Share	Estimated Total Minimum	Variable Cost (3)	Total Costs
California Purchasers							
Los Angeles Department of Water & Power	$275,225	$0	$9,946	$115,083	$400,254	$22	$400,276
Anaheim	81,580	0	2,948	0	84,528	5	$84,533
Riverside	46,986	0	1,698	0	48,684	3	$48,687
Pasadena	27,197	0	983	10,078	38,259	2	$38,261
Burbank	20,794	0	752	5,043	26,589	1	$26,591
Glendale	10,511	0	380	3,177	14,068	1	$14,069
Subtotal	462,293	0	16,707	133,381	612,382	35	612,417
Utah Power & Light	24,674	0	0	0	24,674	1	24,676
Utah Municipal Purchasers							
Murray City	24,146	1,796	0	(25,651)	291	0	291
Logan City	14,907	1,109	0	(15,593)	423	0	423
Bountiful	10,234	762	0	(7,757)	3,239	0	3,239
Kaysville City	4,462	332	0	(4,762)	32	0	32
Heber Light & Power	3,786	282	0	(4,044)	24	0	24
Hyrum City	3,327	248	0	(3,555)	20	0	20
Fillmore City	3,091	230	0	(3,321)	0	0	0
Ephraim	3,037	226	0	(3,158)	105	0	105
Lehi City	2,596	193	0	(2,603)	186	0	186
Beaver City	2,494	186	0	(2,680)	0	0	0
Parowan City	2,198	164	0	(2,348)	14	0	14
Price	2,180	162	0	(2,342)	0	0	0
Mount Pleasant	2,155	160	0	(2,315)	0	0	0
Enterprise	1,202	89	0	(1,284)	7	0	7
Morgan City	1,147	85	0	(1,197)	35	0	35
Hurricane	888	66	0	(905)	49	0	49
Monroe City	785	58	0	(838)	5	0	5
Fairview	725	54	0	(779)	0	0	0
Spring City	362	27	0	(389)	0	0	0
Holden	290	22	0	(312)	0	0	0
Meadow	272	20	0	(292)	0	0	0
Kanosh	242	18	0	(260)	0	0	0
Oak City	242	18	0	(260)	0	0	0
Sutotal	84,768	6,307	0	(86,646)	4,430	0	4,430
Cooperative Purchasers							
Moon Lake	12,337	983	0	(12,470)	0	0	0
Mt. Wheeler	11,017	878	0	(11,135)	0	0	0
Dixie-Escalante	9,463	754	0	(9,564)	0	0	0
Garkane	7,816	623	0	(7,899)	0	0	0
Bridger	1,419	113	0	(1,434)	0	0	0
Flowell	1,234	98	0	(1,247)	0	0	0
Subtotal	43,286	3,449	0	(43,749)	0	0	0
TOTAL	$615,023	$9,756	$16,707	$0	$641,487	$36	$641,523

(1) Excludes SCPPA Debt Service.
(2) Utah In Lieu of Ad Valorem Taxes are not allocated to the Utah Municipals.
(3) Based on monthly forecasts of anticipated energy amounts provided by the Participants taking power in 2005-2006. Includes Excess Power Sales Agreement amounts.
NOTE: Column/Rows may not add due to rounding.

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

IPP ANNUAL COST ESTIMATE
CURRENT PURCHASERS' COST OF POWER
($000)

Purchaser	Minimum Cost IPA Budget	Minimum Cost SCPPA Budget (1)	Minimum Cost Total	Variable Cost	Total Cost	Energy Generated (MWh) (2)	Mills/ kWh
Los Angeles Department of Water & Power	$400,254	$39,948	$440,202	$22	$440,224	8,657,832	50.85
Anaheim	84,528	11,842	96,370	5	96,374	1,840,141	52.37
Riverside	48,684	6,820	55,504	3	55,507	1,059,836	52.37
Pasadena	38,259	3,947	42,206	2	42,208	827,790	50.99
Burbank	26,589	3,018	29,607	1	29,609	574,751	51.52
Glendale	14,068	1,526	15,594	1	15,595	303,687	51.35
Subtotal	612,383	67,101	679,484	35	679,519	13,264,036	51.23
Utah Power & Light	24,674		24,674	1	24,675	556,564	44.34
Utah Munis	4,430		4,430		4,430	93,500	47.38
TOTAL	$641,487	$67,101	$708,588	$36	$708,623	$13,914,100	50.93

(1) Includes SCPPA debt service and administrative and general costs.
(2) Assumes energy production of 13,914,100 MWh at plant bus in FY 2005-2006 and that amounts taken by purchasers will be in accordance with their current monthly forecasts.
(3) Does not reflect any credit for application of purchaser's corpus shares during FY 2005-2006.

NOTE: Columns/Rows may not add due to rounding.

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

IPP ANNUAL COST ESTIMATE
PURCHASERS' COST OF POWER
NET OF IPP PREPAYMENT AGREEMENT
NOTE PAYMENTS
($OOO)

The IPP Prepayment Agreement grants to each California Purchaser the right, but not the obligation, to prepay a portion of its IPP Power Bills related to debt service. The amount prepaid is used to retire outstanding publicly-held indebtedness and the California Purchaser making such prepayment receives a promissory note (Prepayment Note) which is junior and subordinate to all outstanding publicly-held indebtedness. Payments to the Prepayment Noteholder are due in the same years, and in the same amounts (subject to certain adjustments), as the principal of and interest on the publicly-held indebtedness retired by the prepayment amount. The California Purchasers' cost of power after reduction of the Prepayment Note Payments is as follows:

Purchaser	IPA Budget (1)	Prepayment Note Payments	Net Cost Estimate	Energy Generated (MWh)	Mills/ kWh
Los Angeles Department of Water & Power	$400,276	($101,796)	$298,480	8,657,832	34.48
Anaheim	$84,533		$84,533	1,840,141	45.94
Riverside	$48,687		$48,687	1,059,836	45.94
Pasadena	$38,261		$38,261	827,790	46.22
Burbank	$26,591		$26,591	574,751	46.27
Glendale	$14,069		$14,069	303,687	46.33

(1) IPA Annual Budget only, excludes SCPPA debt service.

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

PROJECTED REINVESTMENT EARNINGS
($OOO)

Fund/Account	Projected Rate	Projected Interest
Operating Fund	3.52%	$880
Debt Service Fund:		
Debt Service Account	3.27%	2,288
Debt Service Reserve Account	3.64%	8,718
Subordinated Indebtedness Fund -		
Debt Service Account	3.27%	65
Reserve and Contingency Fund:		
Renewal & Replacements	3.27%	409
Reserve Account	3.27%	1,382
Self-Insurance Fund	3.27%	245
General Reserve Fund	3.46%	1,573
Total Projected Reinvestment Earnings		15,560
Less - R&C Fund Reimbursement Required by the Investment Policy		(6,204)
Total Projected Reinvestment Earnings Available for Debt Service		$9,356

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

TAX SCHEDULES
UTAH IN LIEU OF AD VALOREM TAXES
($OOO)

Location	Estimated Assessed Valuation	Estimated Tax Rate		Estimated Tax
Beaver County	$5,760	0.01111		$64
Carbon County	386	0.01295	$	5
Emery County	163	0.01227	$	2
Iron County	7,745	0.00943	$	73
Juab County	7,880	0.01117	$	88
Millard County	1,151,101	0.01022	$	11,761
Utah County	12,193	0.01288	$	157
Washington County	8,051	0.00932	$	75
Subtotal				12,225
Rolling Stock Tax				12
Adjudication Costs				100
TOTAL				$12,337

INTERMOUNTAIN POWER AGENCY

2005-2006 ANNUAL BUDGET

TAX SCHEDULES
GROSS RECEIPTS TAX
($OOO)

Revenue Range From	Revenue Range To	Budgeted Revenues	Tax Rate (%)	Gross Receipts Tax
$0	$10,000	$10,000	0.0000	$0
10,001	500,000	490,000	0.8613	4,220
500,001	1,000,000	135,512	1.3214	1,791
1,000,001	and over		1.7520	
TOTAL		$635,512		$6,011

FINAL OPERATING BUDGET

FISCAL YEAR 2005 - 06

MAY 23, 2005

Intermountain Power Project
Operating Budget for 2005-2006

Year at a Glance

- The Operating Budget for 2005-2006 is $641.5 million for the Generating Station and the Northern and Southern Transmission Systems. This is an increase of about $38.0 million (6.3%) over last year's budget. This year's budget represents a departure from the two previous budget cycles, where we had the lowest two budgets in project history.

- The two reasons for the increase in the budget are increased coal costs of $31.8 million and increased Net Debt Service of $8.3 million. For coal, our largest contract was re-priced to market adding $24 million to our coal cost and the West Ridge mine is expected to lose $6 million in this fiscal year. For the Net Debt Service, the largest reason for the increase, $6 million, is needed to restore the Reserve and Contingency Fund.

- A longer bipole outage is scheduled in 2006 for replacement of many insulators and conductor bundle spacers. The duration for this outage is five days. A typical outage is two days.

Cost Component	2004-05 Budget	2005-06 Budget	% Change	% of Total Budget	Comment
Net Debt Service	$299,150	$307,422	2.77%	47.92%	$6,000,000 to restore Reserve & Contingency Fund and slight increase in debt service
Fixed Fuel	$150,739	$189,286	25.57%	29.51%	Result of increased price for coal. $9/ton on largest contract.
Renewals & Replacements	$30,565	$26,558	-13.11%	4.14%	Reduced new coal investment & completed microwave Improvements.
Maintenance	$35,940	$36,707	2.13%	5.72%	Increase in transmission budget due to increased maintenance
Operations	$29,097	$29,586	1.68%	4.61%	Increase in Adelanto and transmission operations.
Taxes	$21,564	$21,498	-0.31%	3.35%	No significant change.
Indirect Labor (IPSC)	$18,064	$19,178	6.17%	2.99%	Reflects increasing pension and medical costs. Requires $1,000,000 payment for pension underfunding.
Variable Fuel	$6,778	$36	-99.47%	0.01%	Almost no variable coal needed to achieve 88% Capacity Factor
Admininstration & General	$8,338	$7,989	-4.19%	1.25%	Reflects reduction due to accounting treatment of employee benefits. Includes Dairy Lawsuit defense.
Risk Management	$3,252	$3,263	0.34%	0.51%	No significant change.
IPSC Staffing	491	485	-1.22%		Small reduction in staff as planned.
Net Generation (MWH)	13,510,354	13,510,591	0.00%		No change.
Budgeted Capacity Factor	88%	88%	0.00%		No change.
Mills/KWH (IGS)	43.37	46.2	6.53%		Primarily increases as a result of coal cost increases.
Total Budget	$603,487	$641,523	6.30%		Result of increased coal costs and debt service increases.

2005-2006 OPERATING BUDGET SUMMARY
IGS, NTS AND STS
($1,000's)

Minimum Cost Component	GENERATING STATION	NORTHERN TRANSMISSION	SOUTHERN TRANSMISSION	TOTAL
1. Net Debt Service *	300,189	7,629	(396)	307,422
2. Operations	22,679	828	6,079	29,586
3. Maintenance	30,859	471	5,378	36,707
4. Renewals and Replacements	26,101	239	218	26,558
5. Indirect Labor (IPSC)	18,414		764	19,178
6. Taxes	17,161	491	3,846	21,498
7. Risk Management	2,627	32	604	3,263
8. Administrative and General *	7,708	66	215	7,989
9. Fixed Fuel	189,286			189,286
Total Minimum Costs	615,023	9,756	16,707	641,487
10. Variable Cost Component	36			36
TOTAL OPERATING BUDGET	615,059	9,756	16,707	641,523

* Excludes SCPPA

NOTE: Columns/rows may not add due to rounding.

2005-2006 OPERATING BUDGET SUMMARY (INCLUDING SCPPA)*
IGS, NTS AND STS
($1,000's)

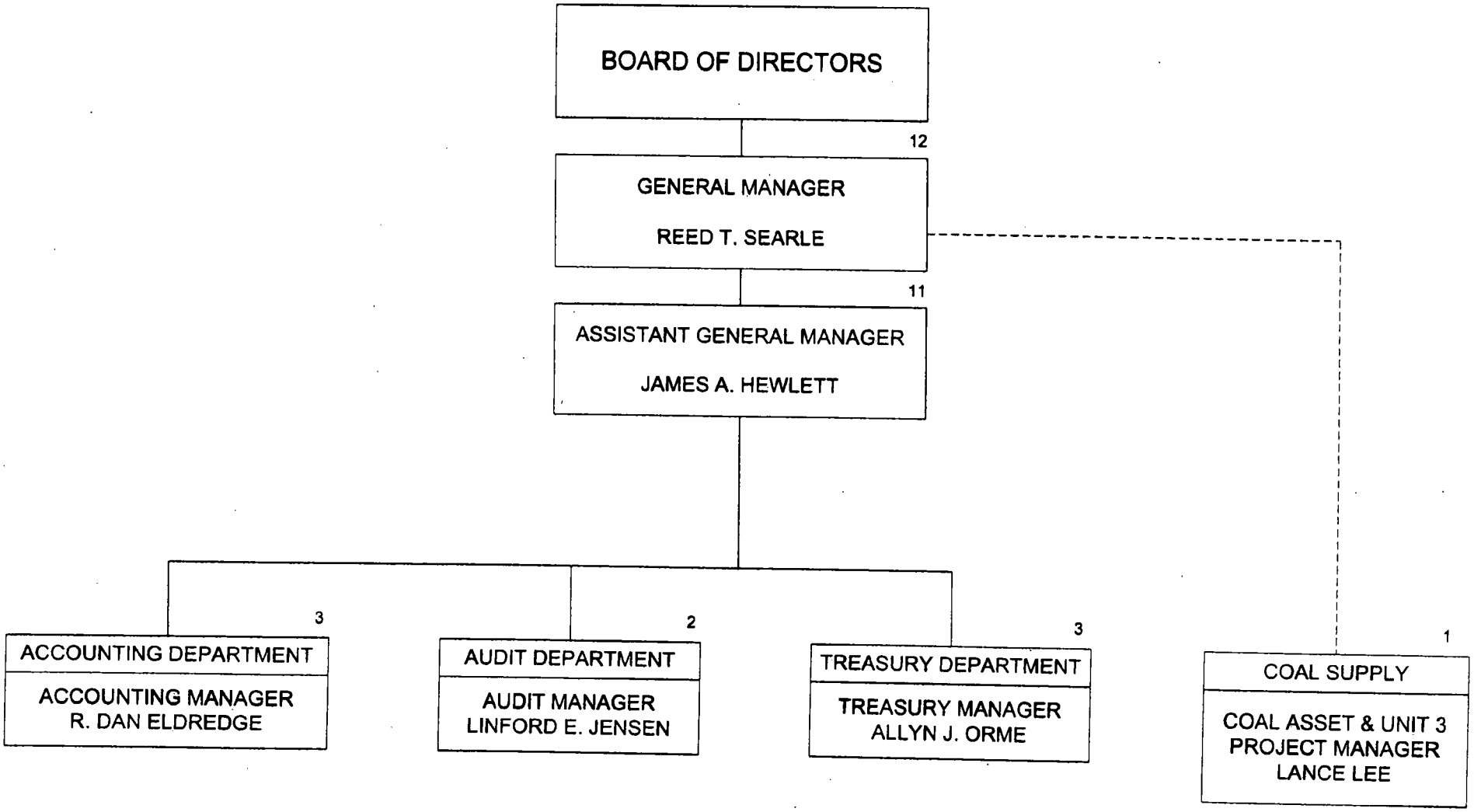
Minimum Cost Component	GENERATING STATION	NORTHERN TRANSMISSION	SOUTHERN TRANSMISSION	TOTAL
1. Net Debt Service	300,189	7,629	65,877	373,695 *
2. Operations	22,679	828	6,079	29,586
3. Maintenance	30,859	471	5,378	36,707
4. Renewals and Replacements	26,101	239	218	26,558
5. Indirect Labor (IPSC)	18,414		764	19,178
6. Taxes	17,161	491	3,846	21,498
7. Risk Management	2,627	32	604	3,263
8. Administrative and General **	7,708	66	1,043	8,817
9. Fixed Fuel	189,286			189,286
Total Minimum Costs	615,023	9,756	83,808	708,588
10. Variable Cost Component	36			36
TOTAL OPERATING BUDGET	615,059	9,756	83,808	708,624
Less SCPPA			(67,101)	(67,101)
TOTAL IPA OPERATING BUDGET	615,059	9,756	16,707	641,523

* For information purposes only to Southern purchasers.
** Includes SCPPA A&G
NOTE: Columns/rows may not add due to rounding.

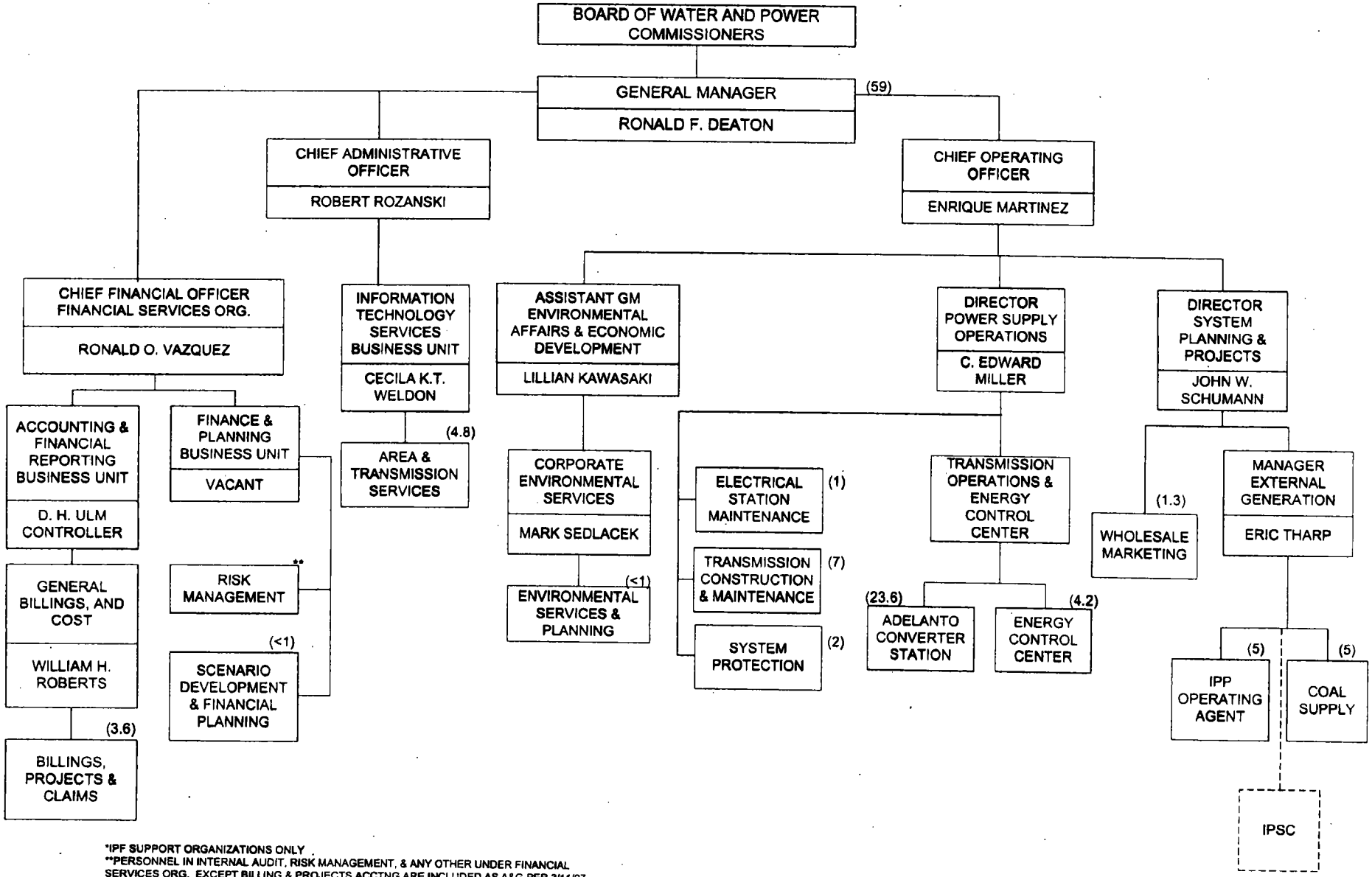
4/26/2005

IPFBUD05_06.xls:Budget Detail

Intermountain Power Agency
Fiscal Year 2005-2006



DEPARTMENT OF WATER AND POWER*
FISCAL YEAR 2005-2006



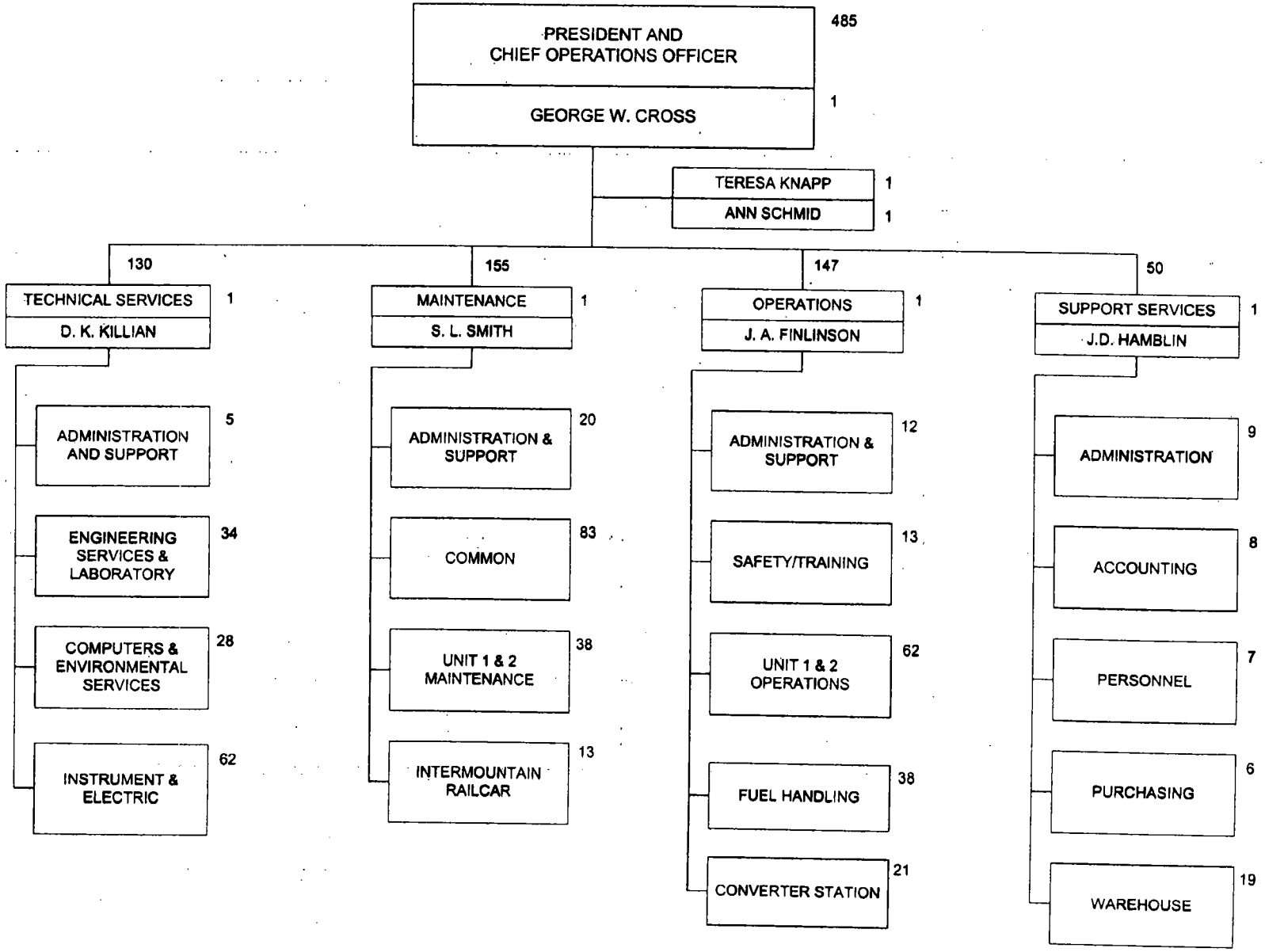
*IPF SUPPORT ORGANIZATIONS ONLY
**PERSONNEL IN INTERNAL AUDIT, RISK MANAGEMENT, & ANY OTHER UNDER FINANCIAL SERVICES ORG. EXCEPT BILLING & PROJECTS ACCTNG ARE INCLUDED AS A&G PER 3/11/97 AUDIT ISSUES COMMITTEE FINDINGS.

NOTE: NUMBER IN PARENTHESIS REPRESENTS APPROXIMATE EQUIVALENT POSITIONS BASED ON LABOR ESTIMATES FOR VARIOUS FUNCTIONS.

3/15/2005

INTERMOUNTAIN POWER SERVICE CORPORATION

FISCAL YEAR 2005-2006
Organization Chart



3/3/05

2005-2006 OPERATING BUDGET DETAIL
IGS, NTS AND STS
($1,000's)

Minimum Cost Component	GENERATING STATION	NORTHERN TRANSMISSION	SOUTHERN TRANSMISSION	TOTAL
1. Net Debt Service *				
427 Debt Service (Gross)	308,943	7,835		316,778
419 Reinvestment Earnings	(8,753)	(206)	(396)	(9,356)
Total Net Debt Service	300,189	7,629	(396)	307,422
2. Operations				
500 Supervsn & Engrg (Generation)	4,566			4,566
501 Fuel				
501.1 Fuel Handling	2,196			2,196
501.2 Railcar Service Center	1,627			1,627
501.3 Fuel Administration	1,863			1,863
Subtotal 501	5,686			5,686
502 Steam Expense	8,331			8,331
505 Electric Expense	2,789			2,789
506 Misc. Generating Expense	879			879
556 Load Dispatching	511	82	38	631

* Excludes SCPPA
NOTE: Columns/rows may not add due to rounding.

2005-2006 OPERATING BUDGET DETAIL
IGS, NTS AND STS
($1,000's)

Minimum Cost Component	GENERATING STATION	NORTHERN TRANSMISSION	SOUTHERN TRANSMISSION	TOTAL
2. Operations (contd)				
560 Supervision & Engrg. (Transm.)			1,212	1,212
562 Transmission Station Operations				
562.1 Intermtn Conv. Station			716	716
562.2 Intermtn A/C Sw. Yd.	247			247
562.3 Adelanto Conv. Station			2,326	2,326
562.4 Adelanto Switching Sta.			247	247
562.5 Gonder Substation		2		2
562.6 Mona Substation		220		220
Subtotal 562	247	222	3,289	3,758
563 Transmission Line Operations				
563.1 HVDC Transmission Line			1,024	1,024
563.2 Gonder Transmn Line		134		134
563.3 Mona Transmission Line		201		201
Subtotal 563		335	1,024	1,359
566 Misc. Transmission Expense		188	517	705
454 Revenues (Misc)	(330)			(330)
Total Operations	22,679	828	6,079	29,586

NOTE: Columns/rows may not add due to rounding.

2005-2006 OPERATING BUDGET DETAIL
IGS, NTS AND STS
($1,000's)

Minimum Cost Component	GENERATING STATION	NORTHERN TRANSMISSION	SOUTHERN TRANSMISSION	TOTAL
3. Maintenance				
510 Supervision & Engrg. (Generation)	4,582			4,582
511 Structures	2,913			2,913
512 Boilers	9,560			9,560
513 Electric Plant	8,592			8,592
514 Miscellaneous Plant	4,866			4,866
568 Supervision & Engrg. (Transm.)			1,104	1,104
569 Transmission Station Structures				
569.1 Intermtn. Conv. Station			49	49
569.2 Intermtn A/C Sw. Yd.				
569.3 Adelanto Conv. Station			389	389
569.4 Adelanto Switching Sta.				
Subtotal 569			438	438

NOTE: Columns/rows may not add due to rounding.

2005-2006 OPERATING BUDGET DETAIL
IGS, NTS AND STS
($1,000's)

Minimum Cost Component	GENERATING STATION	NORTHERN TRANSMISSION	SOUTHERN TRANSMISSION	TOTAL
3. Maintenance (contd)				
570 Transmission Station Equipment				
570.1 Intermtn. Conv. Station			299	299
570.2 Intermtn. A/C Sw. Yd.	344			344
570.3 Adelanto Conv. Station			2,214	2,214
570.4 Adelanto Switching Sta.			82	82
Subtotal 570	344		2,595	2,939
571 Transmission Lines				
571.1 HVDC Transmission Line			1,241	1,241
571.2 Gonder Transmission Line		235		235
571.3 Mona Transmission Line		235		235
Subtotal 571		471	1,241	1,712
Total Maintenance	30,859	471	5,378	36,707
4. Renewals and Replacements				
a. Additions & Betterments	21,001	239	218	21,458
b. Joint Coal Venture Capital	5,000			5,000
c. Coal Prop Acquisitions & Improvements	100			100
Total Renewals and Replacements	26,101	239	218	26,558

NOTE: Columns/rows may not add due to rounding.

2005-2006 OPERATING BUDGET DETAIL
IGS, NTS AND STS
($1,000's)

Minimum Cost Component	GENERATING STATION	NORTHERN TRANSMISSION	SOUTHERN TRANSMISSION	TOTAL
5. Labor Indirects (IPSC)				
408 Payroll Taxes	2,544		106	2,650
925 Workers' Compensation	168		7	175
926 Employee Benefits	15,701		651	16,353
Total Labor Indirects (IPSC)	18,414		764	19,178
6. Taxes				
408.1 Gross Receipts Tax	5,763	91	157	6,011
408.2 In Lieu of Ad Valorem Tax (Utah)	11,251	296	790	12,337
408.3 Property Taxes (Calif & Nev)		100	2,900	3,000
408.4 Arbitrage Rebate Payments	146	4		150
Total Taxes	17,161	491	3,846	21,498
7. Risk Management				
924.1 Property Insurance	1,499	4	297	1,800
924.2 Other Insurance	857	22	235	1,113
924.3 Self Insured Losses	271	7	72	350
Total Insurance	2,627	32	604	3,263

NOTE: Columns/rows may not add due to rounding.

2005-2006 OPERATING BUDGET DETAIL
IGS, NTS AND STS
($1,000's)

Minimum Cost Component	GENERATING STATION	NORTHERN TRANSMISSION	SOUTHERN TRANSMISSION	TOTAL
8. Administrative and General *				
923 DWP Administrative	3,868	15	142	4,025
930 IPA Administrative	3,840	51	73	3,964
Total Administrative & General	7,708	66	215	7,989
9. Fixed Fuel Costs				
501.4 Oil Purchases	400			400
501.5 Transportation Cost of Coal	32,061			32,061
501.6 Long Term Coal	156,825			156,825
Total Fixed Fuel	189,286			189,286
TOTAL MINIMUM COST COMPONENT	615,023	9,756	16,707	641,487
10. Variable Fuel Costs				
501.7 Variable Cost Component	22			22
501.8 Transportation Cost of Coal	14			14
Total Variable Fuel	36			36
TOTAL ANNUAL BUDGET	615,059	9,756	16,707	641,523

* Excludes SCPPA
NOTE: Columns/rows may not add due to rounding.

DETAIL OF DIRECT COSTS AND ALLOCATIONS ($1,000'S)

	GENERATING STATION			NORTHERN TRANSMISSION			SOUTHERN TRANSMISSION			TOTAL
	DIRECT	ALLOC	TOTAL	DIRECT	ALLOC	TOTAL	DIRECT	ALLOC	TOTAL	
1. NET DEBT SERVICE										
427 GROSS DEBT SERVICE		308,943	308,943		7,835	7,835				316,778
419 REINVESTMENT EARNINGS										
a. OPERATING RESERVE FUND		(874)	(874)		(6)	(6)				(880)
b. R & C FUND - RESERVE ACCOUNT		(1,012)	(1,012)		(26)	(26)		(346)	(346)	(1,383)
c. SELF-INSURANCE FUND		(190)	(190)		(5)	(5)		(51)	(51)	(245)
d. OTHER FUNDS		(6,679)	(6,679)		(169)	(169)				(6,848)
SUBTOTAL 419.1		(8,753)	(8,753)		(206)	(206)		(396)	(396)	(9,356)
TOTAL NET DEBT SERVICE		300,189	300,189		7,629	7,629		(396)	(396)	307,422
2. OPERATIONS										
500 SUPERVISION & ENGINEERING										
a. IPSC ADMINISTRATION	1,851		1,851							1,851
b. IPSC TECHNICAL SERVICES		1,507	1,507							1,507
SUBTOTAL 500 SUPVSN & ENG'RG		1,207	1,207							1,207
	1,851	2,715	4,566							4,566
501 FUEL										
501.1 FUEL HANDLING	2,196		2,196							2,196
501.2 RAILCAR SERVICE CENTER	1,319		1,319							1,319
a. IPSC ADMINISTRATION		140	140							140
b. IPSC TECHNICAL SERVICES		112	112							112
c. IPSC WAREHOUSE		56	56							56
SUBTOTAL 501.2	1,319	308	1,627							1,627
501.3 FUEL ADMINISTRATION	1,863		1,863							1,863
SUBTOTAL 501 FUEL	5,378	308	5,686							5,686
502 STEAM EXPENSE	8,331		8,331							8,331
505 ELECTRIC EXPENSE	2,789		2,789							2,789
506 MISCELLANEOUS GENERATING EXPENSE	631		631							631
a. DWP TELECOMMUNICATIONS		248	248							248
SUBTOTAL 506	631	248	879							879
556 LOAD DISPATCHING		511	511		82	82		38	38	631
560 SUPERVISION & ENGRG (TRANSMISSION)										
a. IPSC ADMINISTRATION							1,037		1,037	1,037
b. IPSC TECHNICAL SERVICES								97	97	97
SUBTOTAL 560								78	78	78
							1,037	174	1,212	1,212

DETAIL OF DIRECT COSTS AND ALLOCATIONS ($1,000'S)

2. OPERATIONS (CONT)	GENERATING STATION DIRECT	GENERATING STATION ALLOC	GENERATING STATION TOTAL	NORTHERN TRANSMISSION DIRECT	NORTHERN TRANSMISSION ALLOC	NORTHERN TRANSMISSION TOTAL	SOUTHERN TRANSMISSION DIRECT	SOUTHERN TRANSMISSION ALLOC	SOUTHERN TRANSMISSION TOTAL	TOTAL
562 TRANSMISSION STATION OPERATION										
562.1 INTERMOUNTAIN CONVERTER STATION										
a. DWP TELECOMMUNICATIONS							575		575	575
SUBTOTAL 562.1								141	141	141
							575	141	716	716
562.2 INTERMOUNTAIN AC SWITCHYARD	247		247							247
562.3 ADELANTO CONVERTER STATION										
a. DWP TELECOMMUNICATIONS							2,099		2,099	2,099
SUBTOTAL 562.3								227	227	227
							2,099	227	2,326	2,326
562.4 ADELANTO SWITCHING STATION							247		247	247
562.5 GONDER SUBSTATION				2		2				2
562.6 MONA SUBSTATION				220		220				220
SUBTOTAL 562	247		247	222		222	2,921	368	3,289	3,758
563 TRANSMISSION LINE OPERATIONS										
563.1 HVDC TRANSMISSION LINE										
a. DWP TELECOMMUNICATIONS							310		310	310
								714	714	714
SUBTOTAL 563.1							310	714	1,024	1,024
563.2 GONDER TRANSMISSION LINE				56		56				56
a. DWP TELECOMMUNICATIONS					78	78				78
SUBTOTAL 563.2				56	78	134				134
563.3 MONA TRANSMISSION LINE				56		56				56
a. DWP TELECOMMUNICATIONS					145	145				145
SUBTOTAL 563.3				56	145	201				201
SUBTOTAL 563				113	223	335	310	714	1,024	1,359
566 MISCELLANEOUS TRANSMISSION EXPENSE					188	188		517	517	705
454 REVENUES (MISCELLANEOUS)	(330)		(330)							(330)
TOTAL OPERATIONS	18,897	3,782	22,679	335	493	828	4,269	1,811	6,079	29,586

DETAIL OF DIRECT COSTS AND ALLOCATIONS ($1,000'S)

	GENERATING STATION			NORTHERN TRANSMISSION			SOUTHERN TRANSMISSION			TOTAL
	DIRECT	ALLOC	TOTAL	DIRECT	ALLOC	TOTAL	DIRECT	ALLOC	TOTAL	
3. MAINTENANCE										
510 SUPERVISION & ENGINEERING (IGS)	1,700		1,700							1,700
a. IPSC ADMINISTRATION		1,600	1,600							1,600
b. IPSC TECHNICAL SERVICES		1,282	1,282							1,282
SUBTOTAL 510	1,700	2,882	4,582							4,582
511 STRUCTURES (IGS)	2,814		2,814							2,814
a. IPSC WAREHOUSE		100	100							100
SUBTOTAL 511	2,814	100	2,913							2,913
512 BOILERS (IGS)	8,862		8,862							8,862
a. IPSC WAREHOUSE		698	698							698
SUBTOTAL 512	8,862	698	9,560							9,560
513 ELECTRIC PLANT (IGS)	8,443		8,443							8,443
a. IPSC WAREHOUSE		150	150							150
SUBTOTAL 513	8,443	150	8,592							8,592
514 MISCELLANEOUS PLANT (IGS)	4,816		4,816							4,816
a. IPSC WAREHOUSE		50	50							50
SUBTOTAL 514	4,816	50	4,866							4,866
568 SUPERVISION & ENGRG (TRANSMISSION)										
a. IPSC ADMINISTRATION							1,037		1,037	1,037
b. IPSC TECHNICAL SERVICES								37	37	37
SUBTOTAL 568								30	30	30
							1,037	67	1,104	1,104
569 TRANSMISSION STATION STRUCTURES										
569.1 INTERMOUNTAIN CONVERTER STATION										
569.2 INTERMOUNTAIN AC SWITCHYARD							49		49	49
569.3 ADELANTO CONVERTER STATION										
569.4 ADELANTO SWITCHING STATION							389		389	389
SUBTOTAL 569							438		438	438
570 TRANSMISSION STATION EQUIPMENT										
570.1 INTERMOUNTAIN CONVERTER STATION										
a. IPSC WAREHOUSE							279		279	279
SUBTOTAL 570.1								20	20	20
							279	20	299	299
570.2 INTERMOUNTAIN AC SWITCHYARD	344		344							344

DETAIL OF DIRECT COSTS AND ALLOCATIONS ($1,000'S)

	GENERATING STATION			NORTHERN TRANSMISSION			SOUTHERN TRANSMISSION			TOTAL
	DIRECT	ALLOC	TOTAL	DIRECT	ALLOC	TOTAL	DIRECT	ALLOC	TOTAL	
3. MAINTENANCE (CONT)										
570.3 ADELANTO CONVERTER STATION							2,214		2,214	2,214
570.4 ADELANTO SWITCHING STATION							82		82	82
SUBTOTAL 570	344		344				2,575	20	2,595	2,939
571 TRANSMISSION LINES										
571.1 HVDC TRANSMISSION LINE							1,241		1,241	1,241
571.2 GONDER TRANSMISSION LINE				235		235				235
571.3 MONA TRANSMISSION LINE				235		235				235
SUBTOTAL 571				471		471	1,241		1,241	1,712
TOTAL MAINTENANCE	26,979	3,880	30,859	471		471	5,291	87	5,378	36,707
4. RENEWALS AND REPLACEMENTS										
a. ADDITIONS & BETTERMENTS	20,775		20,775	200		200	25		25	21,000
(1) IPSC ADMINISTRATION		101	101					1	1	102
(2) IPSC TECHNICAL SERVICES		81	81					0	0	82
(3) MICROWAVE SYSTEM		44	44		39	39		192	192	275
TOTAL ADDITIONS & BETTERMENTS	20,775	226	21,001	200	39	239	25	193	218	21,458
b. JOINT COAL VENTURE	5,000		5,000							5,000
c. COAL PPTY ACQUISIT'N & IMPROVEMENTS	100		100							100
TOTAL RENEWALS AND REPLACEMENTS	25,875	226	26,101	200	39	239	25	193	218	26,558
5. LABOR INDIRECTS (IPSC)										
408 PAYROLL TAXES		2,544	2,544					106	106	2,650
925 WORKERS' COMPENSATION		168	168					7	7	175
926 EMPLOYEE BENEFITS		15,701	15,701					651	651	16,353
TOTAL LABOR INDIRECTS (IPSC)		18,414	18,414					764	764	19,178
6. TAXES										
408.1 GROSS RECEIPTS TAX		5,763	5,763		91	91		157	157	6,011
408.2 IN LIEU OF AD VALOREM TAX (UTAH)										
a. PAYMENTS	11,160		11,160	294		294	783		783	12,237
b. ADMINISTRATIVE COSTS	91		91	2		2	6		6	100
SUBTOTAL 408.2	11,251		11,251	296		296	790		790	12,337
408.3 PROPERTY TAXES (CALIF & NEVADA)				100		100	2,900		2,900	3,000
408.4 ARBITRAGE REBATE PAYMENTS		146	146		4	4				150
TOTAL TAXES	11,251	5,909	17,161	396	95	491	3,690	157	3,846	21,498

DETAIL OF DIRECT COSTS AND ALLOCATIONS ($1,000'S)

	GENERATING STATION			NORTHERN TRANSMISSION			SOUTHERN TRANSMISSION			TOTAL
	DIRECT	ALLOC	TOTAL	DIRECT	ALLOC	TOTAL	DIRECT	ALLOC	TOTAL	
7. RISK MANAGEMENT										
924.1 PROPERTY INSURANCE		1,499	1,499		4	4		297	297	1,800
924.2 OTHER INSURANCE		857	857		22	22		235	235	1,113
924.3 SELF-INSURED LOSSES		271	271		7	7		72	72	350
TOTAL RISK MANAGEMENT		2,627	2,627		32	32		604	604	3,263
8. ADMINISTRATIVE AND GENERAL										
922 DWP ADMINISTRATIVE		3,868	3,868		15	15		142	142	4,025
930 IPA ADMINISTRATIVE										
a. UNIT 1 & 2 ADMINISTRATIVE		3,240	3,240		51	51		73	73	3,364
b. INTERACT WITH UNIT 3 DEVELOPERS		600	600							600
TOTAL ADMINISTRATIVE AND GENERAL		7,708	7,708		66	66		215	215	7,989
9. FIXED FUEL COSTS										
501.4 OIL PURCHASES	400		400							400
501.5 TRANSPORTATION COST OF COAL	32,061		32,061							32,061
501.6 LONG TERM COAL	156,825		156,825							156,825
TOTAL FIXED FUEL	189,286		189,286							189,286
TOTAL MINIMUM COST COMPONENT	272,288	342,735	615,023	1,402	8,355	9,756	13,274	3,433	16,707	641,487
10. VARIABLE FUEL COSTS										
501.7 VARIABLE COST COMPONENT	22		22							22
501.8 TRANSPORTATION COST OF COAL	14		14							14
TOTAL VARIABLE FUEL	36		36							36
TOTAL ANNUAL BUDGET	272,324	342,735	615,059	1,402	8,355	9,756	13,274	3,433	16,707	641,523

1. NET DEBT SERVICE

427 Gross Debt Service (IPA)

Provides **$316,778,000** for the payment of principal and interest on revenue bonds sold to finance construction of the Generating Station and Common Facilities and the Northern Transmission System. Also included are ongoing financing-related fees and expenses for Trustee, Bond Counsel, Remarketing Agent, Financial Advisor, Line of Credit Banks, etc. Gross Debt Service is allocated among the components in conformance with the Cost Allocation Procedure for Operations.

Pursuant to the Southern Transmission System Agreement, the Southern California Public Power Authority has provided funds for the construction of the Southern Transmission System. The California Purchasers are billed directly for this debt service.

419 Reinvestment Earnings

Net credit for estimated earnings of **$9,356,000** is provided as a return on available funds invested by Intermountain Power Agency.

Budgeted reinvestment earnings represent interest received on all funds managed by Intermountain Power Agency. Total reinvestment earnings are comprised of actual interest earnings received and the net of capital gains and losses realized, to the extent available as determined by fund valuations done in connection with the annual reconciliation of funds. Reinvestment earnings reduce Gross Debt Service and are allocated among project components in conformance with the Cost Allocation Procedure for Operations.

2. OPERATIONS

500 Supervision and Engineering

Provides **$4,566,000** for labor and expenses incurred in general supervision and direction of the operation of the Generating Station, including:

- IPSC – Direct costs for Operations Department's administrative, support, and second-level supervisory personnel.
- Allocation of IPSC Administrative expense in conformance with the Cost Allocation Procedure for Operations.
- Allocation of IPSC Technical Services expense in conformance with the Cost Allocation Procedure for Operations.

2. OPERATIONS (Continued)

501 Fuel

501.1 Fuel Handling

Provides **$2,196,000** for labor and expenses incurred in the unloading of coal from shipping media to storage point, movement and handling of coal in storage, operation of mechanical equipment related to the coal pile and routine analysis of coal, including:

- IPSC – Direct costs for Operations Department's Fuel and Ash handling personnel.
- IPSC – Direct costs for Technical Services Department's Fuel Laboratory personnel engaged in coal sampling and testing activities.
- IPSC – Credit for revenues received from the sale of fly ash.

501.2 Intermountain Railcar

Provides **$1,627,000** for labor and expenses incurred at the Intermountain Railcar, consisting of a railcar switching facility, storage track and a maintenance and repair shop to service the bottom-dump coal cars owned by IPA, including:

- IPSC – Direct costs for Maintenance Department's Intermountain Railcar personnel.
- IPSC – Credit for revenues received from maintenance services on Sierra Pacific's and others' railcars.
- Allocation of IPSC Administrative expense in conformance with the Cost Allocation Procedure for Operations.
- Allocation of IPSC Technical Services expense in conformance with the Cost Allocation Procedure for Operations.
- Allocation of IPSC Warehouse expense in conformance with the Cost Allocation Procedure for Operations.

2. OPERATIONS (Continued)

501.3 Fuel Administration

Provides **$1,863,000** for labor and expenses incurred in arranging for the purchase and transportation of fuel, including:

- DWP – Direct costs for Fuels Administration personnel engaged in contract administration activities related to the procurement and transportation of fuel.

- Operation costs associated with IPA owned coal properties.

502 and 505 Allocable Operating Expenses

For budgetary purposes, nonsupervisory and nonfuel related costs which cannot be charged in total to steam (Account 502) or to electric (Account 505) are allocated in the following manner: 67 percent to steam and 33 percent to electric. This allocation is necessary since it is difficult or impossible to separate accurately most ongoing operational expenses between these two FERC accounts. These percentages are based on an analysis of historical data of similar coal-fired facilities and review of the operating characteristics of the Intermountain Generating Station (IGS).

Note: Since the allocation is all within the IGS component and does not affect billing, this is not part of the Cost Allocation Procedure for Operations.

Expenses allocated between steam and electric accounts include:

- IPSC – Direct costs of nonfuel Operations Department personnel related to continuous shift operations of the IGS which support both steam generation and electrical activities.

- IPSC – Direct costs for Technical Services Department's engineering services and environmental services personnel.

- DWP – Direct engineering support related to operations including participation in work groups, operating studies, test lab, and miscellaneous operating support.

2. OPERATIONS (Continued)

502 Steam Expense

A total of **$8,331,000** consisting of both the 67 percent of allocable operation expenses listed above, and the following expenses which are 100 percent attributable to the production of steam for electric generation.

- IPSC – Direct costs for Technical Services Department's Laboratory Services personnel including chemicals for water treatment.

- IPSC – Purchase of limestone for removal of sulfur dioxide.

505 Electric Expense

A total of **$2,789,000** is provided consisting of the 33 percent of allocable operating expenses listed above.

506 Miscellaneous Generating Expense

Provides **$879,000** for labor, materials used, and expenses incurred which are not specifically provided for, or are not readily assignable to, other steam generation expense accounts including:

- DWP – Direct costs for Energy Control Center costs not related to Load Dispatching including remote energy control, directing of switching, control of clearances, preparation of operating reports, energy accounting, and billing.

- Allocation of DWP Telecommunications expense in conformance with the Cost Allocation Procedure for Operations.

556 Load Dispatching

Provides **$631,000** for labor and expenses incurred by DWP for energy control activities associated with scheduling of energy for Purchasers. This cost is allocated in conformance with the Cost Allocation Procedure for Operations.

2. OPERATIONS (Continued)

560 Supervision and Engineering (Transmission)

Provides **$1,212,000** for labor and expenses incurred in the general supervision and operation of the Southern Transmission System, including:

- IPSC – 50 percent of direct costs for Intermountain Converter Station Manager, engineering, clerical, and warehouse. The remaining 50 percent is charged to Maintenance Supervision (Account 568).
- DWP – 50 percent of direct costs for Adelanto Converter Station Superintendent, engineering, clerical, and warehouse. The remaining 50 percent is charged to Maintenance Supervision (Account 568).
- Allocation of IPSC Administrative expense in conformance with the Cost Allocation Procedure for Operations.
- Allocation of IPSC Technical Services expense in conformance with the Cost Allocation Procedure for Operations.

562 Transmission Station Operation

562.1 Intermountain Converter Station

Provides **$716,000** for direct costs of labor and expenses for operation of the Intermountain Converter Station. This includes:

- Allocation of DWP Telecommunications expense in conformance with the Cost Allocation Procedure for Operations.

562.2 Intermountain AC Switchyard

Provides **$247,000** for labor and expenses incurred by Intermountain Converter Station personnel related to the operation of the Intermountain AC Switchyard.

562.3 Adelanto Converter Station

Provides **$2,326,000** for the direct costs of labor and expenses incurred by DWP personnel for operation of the Adelanto Converter Station. Also includes:

- Allocation of DWP Telecommunications expense in conformance with the Cost Allocation Procedure for Operations.

2. OPERATIONS (Continued)

562.4 Adelanto Switching Station

Provides **$247,000** for IPA share of operation costs of the Adelanto Switching Station. This amount is based on the operation budget for the Station. The IPA billing percentage is currently 68.75 percent.

562.5 Gonder Substation

Provides **$2,000** for billing from the Sierra Pacific Power Company for labor and expenses for operation of the Gonder Substation.

562.6 Mona Substation

Provides **$220,000** for billings from PacifiCorp for IPA share of expenses for operation and maintenance of the Mona Substation.

563 Transmission Line Operations

563.1 HVDC Transmission Line

Provides **$1,024,000** for labor, materials, and expenses for operation of the 490-mile HVDC Transmission Line, including:

- DWP – Direct costs of Transmission Section personnel for routine patrolling and inspection of the HVDC Transmission Line.
- Allocation of DWP Telecommunications expense in conformance with the Cost Allocation Procedure for Operations.

563.2 Gonder Transmission Line

Provides **$134,000** for labor, materials, and expenses for operation of the 144-mile Gonder Transmission Line, including:

- DWP – Direct costs of Transmission Section personnel for routine patrolling and inspection of the Gonder Transmission Line.
- Allocation of DWP Telecommunications expense in conformance with the Cost Allocation Procedure for Operations.

2. OPERATIONS (Continued)

563.3 Mona Transmission Lines

Provides **$201,000** for labor, materials, and expenses for operation of the two Mona Transmission Lines, each 50 miles, including:

- DWP – Direct costs of Transmission Section personnel for routine patrolling and inspection of the Mona Transmission Lines.
- Allocation of DWP Telecommunications expense in conformance with the Cost Allocation Procedure for Operations.

566 Miscellaneous Transmission Expense

Provides **$705,000** for DWP labor, materials, and expenses related to transmission headquarter expenses, shop time, and other transmission expenses not provided for elsewhere and which cannot be charged directly to a specific line. Costs are allocated to the NTS and STS in accordance with the Cost Allocation Procedure for Operations.

454 Revenues

Provides a credit of **$330,000** for miscellaneous revenues. Examples of miscellaneous revenues are payment for salvage, sale of energy, other minor leases or rentals, and use of transmission line rights-of-way.

3. MAINTENANCE

510 Supervision and Engineering (Generating Station)

Provides **$4,582,000** for labor and expenses incurred for general supervision, engineering, and staff related to maintenance of steam generation facilities, including:

- IPSC – Direct costs for Maintenance Department's supervisory, clerical and planning personnel.
- Allocation of IPSC Administrative expense in conformance with the Cost Allocation Procedure for Operations.
- Allocation of IPSC Technical Services expense in conformance with the Cost Allocation Procedure for Operations.

3. MAINTENANCE (Continued)

511 Structures (Generating Station)

Provides **$2, 913,000** for labor, materials, and expenses for maintenance of steam generation structures, including:

- IPSC – Direct costs of Maintenance Department personnel for preventive maintenance and repair of steam generation structures, systems and equipment.
- Allocation of IPSC Warehouse expense in conformance with the Cost Allocation Procedure for Operations.
- DWP – Direct costs of System Protection personnel for maintenance of protective systems and equipment.

512 Boilers (Generating Station)

Provides **$9,560,000** for labor, materials, and expenses incurred in the maintenance of boiler plant equipment, including:

- IPSC – Direct costs of Maintenance Department personnel for preventive maintenance and repair of boiler plant equipment. See Page 35 for scheduled unit shutdowns.
- Allocation of IPSC Warehouse expense in conformance with the Cost Allocation Procedure for Operations.
- DWP – Direct costs of System Protection personnel for maintenance of boilers.

513 Electric Plant (Generating Station)

Provides **$8,592,000** for labor, materials, and expenses for maintenance of electric plant (engines and engine-driven generators, turbogenerator units, and accessory electric equipment), including:

- IPSC – Direct costs of Maintenance Department personnel for preventive maintenance and repair of electric plant equipment. See Page 35 for scheduled unit shutdowns.
- IPSC – Direct costs of Technical Services personnel for maintenance of instruments and controls.

3. **MAINTENANCE (Continued)**

- DWP – Direct costs of System Protection personnel for maintenance of protective relay equipment.

- Allocation of IPSC Warehouse expense in conformance with the Cost Allocation Procedure for Operations.

514 Miscellaneous Plant (Generating Station)

Provides **$4,866,000** for labor, materials, and expenses incurred in the maintenance of miscellaneous power plant equipment, including:

- IPSC – Direct costs of Maintenance Department personnel for preventive maintenance and repair of miscellaneous power plant equipment.

- Allocation of IPSC Warehouse expense in conformance with the Cost Allocation Procedure for Operations.

- DWP – Direct costs of System Protection personnel for maintenance of miscellaneous plant.

568 Supervision and Engineering (Transmission)

Provides **$1,104,000** for labor and expenses incurred in the general supervision and direction of maintenance of the transmission system, including:

- IPSC – 50 percent of direct costs of Intermountain Converter Station Manager, engineering, clerical and warehouse activities. The remaining 50 percent is charged to Operation Supervision (Account 560).

- DWP – 50 percent of direct costs for Adelanto Converter Station Superintendent, engineering, clerical, and warehouse activities. The remaining 50 percent is charged to Operation Supervision (Account 560).

- Allocation of IPSC Administrative expense in conformance with the Cost Allocation Procedure for Operations.

- Allocation of IPSC Technical Services expense in conformance with the Cost Allocation Procedure for Operations.

3. MAINTENANCE (Continued)

569 Transmission Station Structures

569.1 Intermountain Converter Station

Provides **$49,000** for labor, materials, and expenses incurred by IPSC Converter Station personnel for maintenance of Intermountain Converter Station structures.

569.2 Intermountain AC Switchyard

No funds are provided this year for labor, materials, and expenses incurred by IPSC Converter Station personnel for maintenance of station structures located in the Intermountain AC Switchyard.

569.3 Adelanto Converter Station

Provides **$389,000** for labor, materials, and expenses incurred by DWP Converter Station personnel for maintenance of Adelanto Converter Station structures.

569.4 Adelanto Switching Station

No funds are provided this year for labor, materials, and expenses incurred by DWP's Building Maintenance personnel for maintenance of Adelanto Switching Station structures.

570 Transmission Station Equipment

570.1 Intermountain Converter Station

Provides **$299,000** for labor, materials and expenses for maintenance of general and electrical station equipment located at the Intermountain Converter Station, including:

- IPSC – Direct costs of Converter Station personnel for maintenance of station equipment.
- Allocation of IPSC Warehouse expense in conformance with the Cost Allocation Procedure for Operations.

3. MAINTENANCE (Continued)

570.2 Intermountain AC Switchyard

Provides **$344,000** for labor, materials, and expenses for maintenance of general and electrical station equipment located in the Intermountain AC Switchyard, including:

- IPSC – Direct costs of Converter Station personnel for maintenance of station equipment.
- DWP – Direct costs of System Protection personnel for maintenance of protective relay equipment.

570.3 Adelanto Converter Station

Provides **$2,214,000** for DWP-Adelanto Converter Station for labor, materials and expenses, and overheads incurred for maintenance of general and electrical station equipment, including:

- DWP – Direct costs of System Protection personnel for maintenance of station equipment.

570.4 Adelanto Switching Station

Provides **$82,000** for labor, materials and expenses, overhead incurred for maintenance of general and electrical station equipment located in the Adelanto Switching Station. This estimate represents an amount equal to IPA billing, which is presently 68.75 percent, including:

- DWP – Direct costs of System Protection personnel for maintenance of protective relay equipment.

571 Transmission Lines

571.1 HVDC Transmission Line

Provides **$1,241,000** for labor, materials, and expenses incurred by DWP Transmission Section personnel for maintenance of the 490-mile HVDC Transmission Line including line and tower equipment, roads, and rights-of-way.

3. MAINTENANCE (Continued)

571.2 Gonder Transmission Line

Provides **$235,000** for labor, materials, and expenses incurred by DWP Transmission Section personnel for maintenance of the 144-mile Gonder Transmission Line including line and tower equipment, roads, and rights-of-way. Also includes direct costs of DWP System Protection personnel for maintenance of protective relay equipment associated with the Gonder Transmission Line.

571.3 Mona Transmission Lines

Provides **$235,000** for labor, materials, and expenses incurred by DWP Transmission Section personnel for maintenance of the two Mona Transmission Lines, each 50 miles long, including line and tower equipment, roads, and rights-of-way. Also includes direct costs of DWP System Protection personnel for maintenance of protective relay equipment associated with the Mona Transmission Lines.

4. RENEWALS AND REPLACEMENTS

A. Additions and Betterments

Provides **$21,458,000** for capital equipment and engineered improvements for Intermountain Generating Station, AC Switchyard, Intermountain Converter Station, Mona Substation, and Microwave Communication System. Amounts are to be deposited in the Renewals and Replacement Account of the Reserve and Contingency Fund.
This includes:

- **IPSC** – Direct costs of labor, material, and contract services.
- **IPSC** – Allocated costs of IPSC Support Services.
- **IPSC** – Allocated costs of IPSC Engineering and Technical.
- **DWP** – Direct costs for engineering as well as review of design and drawings, and quality assurance.

4. RENEWALS AND REPLACEMENTS (Continued)

- **Generating Station** major improvements:
  - Distributed Control System Replacement
  - ID Fan Drive Replacement
  - Unit 1 Generator Generex and Spare bars Replacement
  - Cooling Water Line
  - Cooling Tower Riser Flatforms
  - Modicon Upgrade
  - Concrete Water Lines Repair and Protection
  - Replace O_2 Probes
  - Replace Unit and Essential Battery Chargers
  - High Pressure Heater Alternate Drain Valve Replacement
  - Install RO Unit before Demineralizers
  - Burner Line Balancing Equipment
  - BFPT Control Upgrade
  - Sludge Thickener Improvement
  - Replace Vibration Monitoring System

B. Joint Coal Venture – Capital

Provides **$5,000,000** for capital expenditures and coal lease acquisitions associated with the joint coal ventures: the Crandall Canyon Project and the West Ridge Project.

C. Coal Property Acquisitions and Improvements

Provides **$100,000** for other anticipated acquisition of joint property interests similar to the Crandall Canyon Project and the West Ridge Project, as well as development costs at other IPA-owned properties.

5. LABOR INDIRECTS (IPSC)

408 Payroll Taxes

Provides **$2,650,000** for IPSC employer matching contributions to Social Security (FICA) and contributions to both Federal and State of Utah unemployment insurance funds.

5. LABOR INDIRECTS (IPSC) (Continued)

925 Workers' Compensation

Provides **$175,000** for all costs related to compensation of IPSC employees who are injured on the job. Workers' Compensation has been self-insured since August 1988.

926 Employee Benefits

Provides **$16,353,000** for IPSC employee benefits which include health and dental plans, wellness benefit, long-term disability benefit, performance bonus plan, insurance coverage (life, travel, accidental death and dismemberment) and employer contributions to the (401K) savings plan and the pension plan. Funds are also currently being set aside for funding of Other Post Retirement Benefits, including IPSC Retirees Health Care.

6. TAXES

408.1 Gross Receipts Tax

Provides **$6,011,000** for payment of taxes levied by the State of Utah as a percentage of the Project's gross revenues from commercial operation. The current rate is approximately 0.8613 percent of the first $500 million in revenues and approximately 1.3214 percent of amounts above $500 million.

Tax liability is allocated among the components in conformance with the Cost Allocation Procedure for Operations.

408.2 In Lieu of Ad Valorem Tax (Utah)

Provides **$12,337,000** for payment of fees in lieu of Ad Valorem property taxes based on the assessed valuation of Intermountain Power Facilities and transmission lines located within the State of Utah.

Facilities include the Generating Station and Common Facilities, Intermountain Railcar, Intermountain Converter Station and those portions of the transmission lines and microwave system located within the State of Utah.

6. TAXES (Continued)

408.3 Property Taxes (California and Nevada)

Provides **$3,000,000** for payment of property taxes based on the assessed valuation of those IPA-owned properties located within the States of California and Nevada..

Facilities include the Adelanto Converter Station and those portions of the transmission lines and microwave system located within the States of California and Nevada.

408.4 Arbitrage Rebate Payments

Provides **$150,000** for payment of arbitrage rebate on: the 1996 Series A, 1996 Series C, and 1996 Series D Bonds, due 60 days after January 1, 2006; and the 1986 Series F Bonds, due 60 days after July 1, 2006. Arbitrage rebate amounts apply to all IPA bonds issued after August 31, 1986, and are calculated and paid for each such issue every five years after the date of issuance. The payments due are calculated pursuant to U.S. Treasury Department regulations.

Arbitrage rebate payments are allocated among the project components in conformance with the general procedures set forth in the Cost Allocation Procedure for Operations.

7. RISK MANAGEMENT

924.1 Property Insurance

Provides **$1,800,000** for payment of property insurance premiums based on the recommendation of the Risk Management Committee. Premiums are allocated in conformance with the Cost Allocation Procedure for Operations. The estimates reflect a moderation of previously anticipated significant increases in premium dollars. The degree of deterioration in the property insurance market for the utility industry that had been anticipated has not fully materialized.

924.2 Other Insurance

Provides **$1,113,000** for general liability insurance, directors and officers coverage, other insurance premiums, third-party claims not covered by premiums or self-insurance, claims administration, and related legal expense.

7. RISK MANAGEMENT (Continued)

924.3 Self-Insured Losses

Provides **$350,000** as reserves for self-insured losses which are defined as those losses over $50,000 net of any insurance proceeds. Self-Insured losses are identified separately and charged to the Risk Management line item in accordance with procedures developed by the Risk Management Committee. Costs are allocated in accordance with the Cost Allocation Procedure for Operations.

8. ADMINISTRATIVE AND GENERAL

923 DWP

Provides **$4,025,000** for labor, materials, contracts, and expenses incurred by Operating Agent personnel engaged in administrative, general engineering, accounting, billing, and risk management support activities for the Intermountain Power Facilities. A **$1,000,000** has been included for a litigation contingency in the case of Gunn Hill Dairy vs. LADWP, et al. Costs are allocated in conformance with the Cost Allocation Procedure for Operations.

930 IPA

Provides **$3,964,000** for labor, materials, and expenses incurred by Intermountain Power Agency Board and personnel engaged in administrative, financial, accounting, audit, legal, public and governmental relations, and support activities related to operations. Costs are allocated in accordance with the Cost Allocation Procedure for Operations.

9. FIXED FUEL COSTS

501.4 Oil Purchases

Provides **$400,000** for cost of fuel oil purchased for Units 1 and 2.

501.5 Transportation Cost of Coal

Provides **$32,061,000** for costs related to the transportation of long-term contract coal from the mine sites to the Generating Station. Of that amount, **$231,000** is budgeted for the leasing of additional railcars. The average cost of transportation of long-term contract coal purchases is estimated at **$5.67 per ton** of coal burned.

9. FIXED FUEL COSTS (Continued)

Transportation agreements are in effect with the Union Pacific, Utah, and Denver and Rio Grande Western Railroads. Trucks may be used as an additional mode of transportation as required.

See Page 36 for backup data on coal transportation costs.

501.6 Long-Term Coal

Provides **$156,825,000** for coal costs related to contract payments under minimum or guaranteed payment provisions. The average cost of long-term coal is estimated at **$27.76 per ton.** See Page 36 for backup data on long-term coal deliveries.

10. VARIABLE COST COMPONENT

501.7 Incremental Coal

Provides **$22,000** for the cost of incremental coal burned for generation.

During the fiscal year, it is estimated that a total of approximately **1,520** tons of incremental coal will be burned for Units 1 and 2 at an average cost of **$14.47 per ton** at the budgeted net capacity level of 88%.

See Page 36 for detailed backup on estimated incremental fuel deliveries and burn.

501.8 Transportation Cost of Coal

Provides **$14,000** for costs related to the transportation of incremental coal from the mine sites to the Generating Station for the budgeted net capacity level of 88%. The average cost of transportation for incremental coal purchases is estimated at **$9.21 per ton** of coal burned.

See Page 36 for backup data on coal transportation costs.

Average cost of incremental coal burned, including transportation, is **12.19 mills per kilowatt-hour.**

SUMMARY OF OPERATING AGENT COSTS

2005-2006 Annual Budget

DWP Organization or Function	Estimate (1000's)
Transmission	$ 2,820.1
Adelanto Converter Station	$ 6,578.7
Energy Support Services	$ 61.6
Telecommunications	$ 1,552.3
Energy Control Center	$ 1,261.9
Other System Maintenance	$ 328.2
Administration & Misc. Engineering Support*	$ 3,035.5
Fuel Administration	$ 1,568.4
Accounting and Risk Management	$ 3,592.8
	$20,799.5

*Includes $1,000,000 litigation contingency for Gunn Hill Dairy vs. IPA, IPSC and LADWP.

MAINTENANCE SCHEDULE FOR INTERMOUNTAIN POWER PROJECT
SPRING 2006

FY	YEAR	FACILITY	UNIT	START DATE	END DATE	DURATION IN DAYS	MAINTENANCE SCHEDULED
05-06	2006	IGS	1	4-Mar	13-Mar	9	INSPECTION
	2006	IGS	2	1-Apr	1-May	30	MAJOR
	2006	STS	BIPOLE	15-Apr	19-Apr	5	ANNUAL- note 4

NOTES:

1. IGS START DATES ARE SHOWN AS SATURDAYS, BUT ACTUAL UNIT SHUTDOWN WILL USUALLY OCCUR AFTER PEAK ON FRIDAY EVENING.
2. IGS END DATES ARE MONDAY. UNITS TO BE AVAILABLE FOR FULL LOAD ON END DATE AT 07:00
3. STS BIPOLE OUTAGE MAY BE SHIFTED ONE WEEK IF NEEDED
   MONOPOLE OUTAGES ARE TYPICALLY ON WEEKENDS, PRECEDING AND FOLLOWING BIPOLE OUTAGE
4. A LONGER BIPOLE OUTAGE IN 2006 IS FOR REPLACEMENT OF MANY INSULATORS AND CONDUCTOR BUNDLE SPACERS. ACTUAL DURATION REQUIRED MAY BE LESS THAN 5 DAYS. TYPICAL DURATION IS 2 DAYS.

PROJECTED MAINTENANCE SCHEDULE FOR INTERMOUNTAIN GENERATING STATION
SPRING 2007 THROUGH SPRING 2010

FY	YEAR	FACILITY	UNIT	START DATE	END DATE	DURATION IN DAYS	MAINTENANCE SCHEDULED
06-07	2007	IGS	2	10-Mar	19-Mar	9	INSPECTION
	2007	IGS	1	31-Mar	30-Apr	30	MAJOR
07-08	2008	IGS	1	8-Mar	17-Mar	9	INSPECTION
	2008	IGS	2	29-Mar	28-Apr	30	MAJOR
08-09	2009	IGS	2	7-Mar	16-Mar	9	INSPECTION
	2009	IGS	1	28-Mar	27-Apr	30	MAJOR
09-10	2010	IGS	1	6-Mar	15-Mar	9	INSPECTION
	2010	IGS	2	27-Mar	26-Apr	30	MAJOR

IPP OPERATING AGENT
March 22, 2005

IGS[redacted]L B[redacted]T I[redacted]RMA[redacted]:

FISCAL YEAR 2005-2006

88.0% CAPACITY FACTOR

16-Mar-05

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Annual
Availability - U1 (%)	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	70.0%	99.2%	99.2%	99.2%	96.6%
Availability - U2 (%)	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	0.0%	99.1%	99.2%	90.9%
Available Generation(GWH)	1328.5	1328.5	1285.6	1330.3	1285.6	1328.5	1328.5	1242.8	1133.1	641.9	1327.5	1285.6	14846.4
AVAILABILITY PLANT (%)	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	84.6%	49.6%	99.2%	99.2%	93.8%
CAPACITY FACTOR PLANT (%)	92.3%	92.3%	92.3%	92.3%	92.3%	92.3%	92.3%	92.3%	83.6%	49.6%	91.3%	92.3%	88.0%
Generation - U1 (GWH)	618.2	618.2	598.3	619.0	598.3	618.2	618.2	578.3	463.4	641.9	611.8	598.3	7181.7
Generation - U2 (GWH)	618.2	618.2	598.3	619.0	598.3	618.2	618.2	578.3	656.6	0.0	611.1	598.3	6732.4
Generation-Plant (GWH)	1236.3	1236.3	1196.5	1238.0	1196.5	1236.3	1236.3	1156.6	1120.0	641.9	1222.9	1196.5	13914.1
Coal Burn - U1 (Kton)	251.08	251.08	242.99	251.42	242.99	251.08	251.08	234.89	188.20	260.72	248.48	242.99	2917.00
Coal Burn - U2 (Kton)	251.08	251.08	242.99	251.42	242.99	251.08	251.08	234.89	266.71	0.00	248.23	242.99	2734.54
Coal Burn-Plant (Kton)	502.15	502.15	485.99	502.84	485.99	502.15	502.15	469.78	454.91	260.72	496.71	485.99	5651.54
Term Deliveries (Kton)	462.50	462.50	462.50	462.50	462.50	462.50	479.17	479.17	479.17	479.17	479.17	479.17	5650.02
Incrmntl Deliveries(Kton)	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.50
Total Deliveries (Kton)	472.00	462.50	462.50	462.50	462.50	462.50	479.17	479.17	479.17	479.17	479.17	479.17	5659.52
Coal Inventory(EOM)(Kton)	719.85	680.19	656.71	618.36	592.88	553.22	530.24	539.63	563.89	782.33	764.79	757.98	757.98
--Coal Delivered--													
Term Coal ($000)	$11,943	$11,943	$11,943	$11,965	$11,965	$11,965	$14,103	$14,103	$14,103	$14,264	$14,264	$14,264	$156,825
Incremental Coal ($000)	$145	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$145
Term Trans ($000)	$2,599	$2,599	$2,599	$2,609	$2,609	$2,609	$2,696	$2,696	$2,696	$2,706	$2,706	$2,706	$31,830
Incremental Trans ($000)	$83	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$83
Term Total ($000)	$14,543	$14,543	$14,543	$14,574	$14,574	$14,574	$16,799	$16,799	$16,799	$16,970	$16,970	$16,970	$188,655
Incremental Total ($000)	$228	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$228
Total Coal ($000)	$12,088	$11,943	$11,943	$11,965	$11,965	$11,965	$14,103	$14,103	$14,103	$14,264	$14,264	$14,264	$156,970
Total Trans ($000)	$2,682	$2,599	$2,599	$2,609	$2,609	$2,609	$2,696	$2,696	$2,696	$2,706	$2,706	$2,706	$31,913
Total Coal / Trans ($000)	$14,770	$14,543	$14,543	$14,574	$14,574	$14,574	$16,799	$16,799	$16,799	$16,970	$16,970	$16,970	$188,883
Inventory - Coal ($000)	$21,235	$20,066	$19,373	$18,183	$17,490	$16,320	$15,642	$15,918	$16,632	$23,135	$22,618	$22,417	$22,417
Inventory - Trans ($000)	$5,219	$4,932	$4,782	$4,469	$4,299	$4,011	$3,845	$3,898	$4,034	$5,268	$5,140	$5,091	$5,091
Inventory - Total ($000)	$26,455	$24,998	$24,135	$22,652	$21,789	$20,332	$19,487	$19,816	$20,666	$28,403	$27,758	$27,508	$27,508
--Stockpile Budget--													
Change (Kton)	-30.15	-39.65	-23.49	-40.34	-23.49	-39.65	-22.98	9.39	24.26	218.45	-17.54	-6.82	7.98
Cost - Coal ($000)	($890)	($1,170)	($693)	($1,190)	($693)	($1,170)	($678)	$276	$714	$6,503	($517)	($201)	$292
Cost - Trans ($000)	($219)	($287)	($170)	($292)	($170)	($287)	($167)	$53	$136	$1,234	($127)	($49)	($347)
Cost - Total ($000)	($1,108)	($1,457)	($863)	($1,483)	($863)	($1,457)	($845)	$329	$850	$7,736	($645)	($251)	($55)
---Coal Burned---													
Term Coal ($000)	$13,006	$13,006	$12,589	$13,047	$12,611	$13,029	$14,819	$13,866	$13,428	$7,800	$14,825	$14,606	$156,825
Incremental Coal ($000)	$2	$2	$2	$2	$2	$2	$2	$2	$2	$1	$2	$2	$22
Term Trans ($000)	$2,808	$2,808	$2,717	$2,823	$2,728	$2,819	$2,811	$2,629	$2,545	$1,458	$2,791	$2,843	$31,830
Incremental Trans ($000)	$1	$1	$1	$1	$1	$1	$1	$1	$1	$1	$1	$1	$14
Term Total ($000)	$15,814	$15,814	$15,306	$15,870	$15,339	$15,848	$17,630	$16,495	$15,974	$9,258	$17,616	$17,449	$188,655
Incremental Total ($000)	$3	$3	$3	$3	$3	$3	$3	$3	$3	$2	$3	$3	$36
Total Coal ($000)	$13,008	$13,008	$12,591	$13,049	$12,613	$13,031	$14,821	$13,868	$13,430	$7,801	$14,827	$14,608	$156,847
Total Trans ($000)	$2,809	$2,809	$2,719	$2,824	$2,729	$2,820	$2,812	$2,630	$2,546	$1,459	$2,792	$2,844	$31,844
Total Coal / Trans ($000)	$15,818	$15,818	$15,309	$15,873	$15,342	$15,851	$17,633	$16,498	$15,977	$9,261	$17,619	$17,452	$188,691
Billing-Incr Cost*(m/kwh)	12.19	12.19	12.19	12.19	12.19	12.19	12.19	12.19	12.19	12.19	12.19	12.19	12.19
* Coal Burned-Incl Trans													

COAL0506 WWE 10:44 AM

SUMMARY OF IPA BUDGET AND ENERGY GENERATED BY PURCHASER
2005 - 2006
(Amounts in $1,000's except for Energy Generated)

PURCHASER	MINIMUM COST COMPONENT			VARIABLE COST COMPONENT	TOTAL IPA BUDGET	ENERGY GENERATED MWH
	ENTITLEMENT SHARE*	EXCESS POWER SALES SHARE	TOTAL MINIMUM			
LOS ANGELES	285,171	115,083	400,254	22	400,276	8,657,832
ANAHEIM	84,528	0	84,528	5	84,533	1,840,141
RIVERSIDE	48,684	0	48,684	3	48,687	1,059,836
PASADENA	28,180	10,078	38,259	2	38,261	827,790
BURBANK	21,546	5,043	26,589	1	26,591	574,751
GLENDALE	10,891	3,177	14,068	1	14,069	303,687
UP&L	24,674	0	24,674	1	24,676	556,564
UAMPS/DESERET	137,811	(133,381)	4,430	0	4,430	93,500
TOTAL	641,487	0	641,487	35	641,522	13,914,100

* Includes STS O&M.

NOTE: Columns/rows may not add due to rounding.

IPA MONTHLY BUDGET SUMMARY 2005 - 2006
(Amounts in $1,000's except Billing Rate)
LOS ANGELES

MONTH	MINIMUM COST COMPONENT: ENTITLEMENT SHARE	MINIMUM COST COMPONENT: EXCESS POWER SALES SHARE	TOTAL MINIMUM	VARIABLE COST COMPONENT	TOTAL IPA BUDGET	BILLING RATE * (M/KWH)
July	23,764	9,437	33,201	1.9	33,203	12.19
August	23,764	9,437	33,201	1.9	33,203	12.19
September	23,764	9,499	33,264	1.8	33,265	12.19
October	23,764	9,750	33,514	1.9	33,516	12.19
November	23,764	9,750	33,514	1.9	33,516	12.19
December	23,764	9,750	33,514	1.9	33,516	12.19
January	23,764	9,750	33,514	1.9	33,516	12.19
February	23,764	9,750	33,514	1.9	33,516	12.19
March	23,764	9,685	33,449	1.9	33,451	12.19
April	23,764	9,426	33,190	1.3	33,191	12.19
May	23,764	9,426	33,190	1.9	33,192	12.19
June	23,764	9,426	33,190	1.9	33,192	12.19
TOTAL	285,171	115,083	400,254	22	400,276	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

IPA MONTHLY BUDGET SUMMARY 2005 - 2006
(Amounts in $1,000's except Billing Rate)
ANAHEIM

MONTH	MINIMUM COST COMPONENT			VARIABLE COST COMPONENT	TOTAL IPA BUDGET	BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM			
July	7,044	0	7,044	0.4	7,044	12.19
August	7,044	0	7,044	0.4	7,044	12.19
September	7,044	0	7,044	0.4	7,044	12.19
October	7,044	0	7,044	0.4	7,044	12.19
November	7,044	0	7,044	0.4	7,044	12.19
December	7,044	0	7,044	0.4	7,044	12.19
January	7,044	0	7,044	0.4	7,044	12.19
February	7,044	0	7,044	0.4	7,044	12.19
March	7,044	0	7,044	0.4	7,044	12.19
April	7,044	0	7,044	0.3	7,044	12.19
May	7,044	0	7,044	0.4	7,044	12.19
June	7,044	0	7,044	0.4	7,044	12.19
TOTAL	84,528	0	84,528	5	84,533	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

IPA MONTHLY BUDGET SUMMARY 2005 - 2006
(Amounts in $1,000's except Billing Rate)
RIVERSIDE

MONTH	MINIMUM COST COMPONENT			VARIABLE COST COMPONENT	TOTAL IPA BUDGET	BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM			
July	4,057	0	4,057	0.2	4,057	12.19
August	4,057	0	4,057	0.2	4,057	12.19
September	4,057	0	4,057	0.2	4,057	12.19
October	4,057	0	4,057	0.2	4,057	12.19
November	4,057	0	4,057	0.2	4,057	12.19
December	4,057	0	4,057	0.2	4,057	12.19
January	4,057	0	4,057	0.2	4,057	12.19
February	4,057	0	4,057	0.2	4,057	12.19
March	4,057	0	4,057	0.2	4,057	12.19
April	4,057	0	4,057	0.1	4,057	12.19
May	4,057	0	4,057	0.2	4,057	12.19
June	4,057	0	4,057	0.2	4,057	12.19
TOTAL	48,684	0	48,684	3	48,687	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

IPA MONTHLY BUDGET SUMMARY 2005 - 2006
(Amounts in $1,000's except Billing Rate)
PASADENA

MONTH	MINIMUM COST COMPONENT			VARIABLE COST COMPONENT	TOTAL IPA BUDGET	BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM			
July	2,348	826	3,175	0.2	3,175	12.19
August	2,348	826	3,175	0.2	3,175	12.19
September	2,348	832	3,180	0.2	3,180	12.19
October	2,348	854	3,202	0.2	3,202	12.19
November	2,348	854	3,202	0.2	3,202	12.19
December	2,348	854	3,202	0.2	3,202	12.19
January	2,348	854	3,202	0.2	3,202	12.19
February	2,348	854	3,202	0.2	3,202	12.19
March	2,348	848	3,197	0.2	3,197	12.19
April	2,348	825	3,174	0.1	3,174	12.19
May	2,348	825	3,174	0.2	3,174	12.19
June	2,348	825	3,174	0.2	3,174	12.19
TOTAL	28,180	10,078	38,259	2	38,261	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

IPA MONTHLY BUDGET SUMMARY 2005 - 2006
(Amounts in $1,000's except Billing Rate)
BURBANK

MONTH	MINIMUM COST COMPONENT			VARIABLE COST COMPONENT	TOTAL IPA BUDGET	BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM			
July	1,795	414	2,209	0.1	2,209	12.19
August	1,795	414	2,209	0.1	2,209	12.19
September	1,795	416	2,212	0.1	2,212	12.19
October	1,795	427	2,223	0.1	2,223	12.19
November	1,795	427	2,223	0.1	2,223	12.19
December	1,795	427	2,223	0.1	2,223	12.19
January	1,795	427	2,223	0.1	2,223	12.19
February	1,795	427	2,223	0.1	2,223	12.19
March	1,795	424	2,220	0.1	2,220	12.19
April	1,795	413	2,209	0.1	2,209	12.19
May	1,795	413	2,209	0.1	2,209	12.19
June	1,795	413	2,209	0.1	2,209	12.19
TOTAL	21,546	5,043	26,589	1	26,591	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

IPA MONTHLY BUDGET SUMMARY 2005 - 2006
(Amounts in $1,000's except Billing Rate)
GLENDALE

MONTH	MINIMUM COST COMPONENT: ENTITLEMENT SHARE	MINIMUM COST COMPONENT: EXCESS POWER SALES SHARE	TOTAL MINIMUM	VARIABLE COST COMPONENT	TOTAL IPA BUDGET	BILLING RATE * (M/KWH)
July	908	261	1,168	0.1	1,168	12.19
August	908	261	1,168	0.1	1,168	12.19
September	908	262	1,170	0.1	1,170	12.19
October	908	269	1,177	0.1	1,177	12.19
November	908	269	1,177	0.1	1,177	12.19
December	908	269	1,177	0.1	1,177	12.19
January	908	269	1,177	0.1	1,177	12.19
February	908	269	1,177	0.1	1,177	12.19
March	908	267	1,175	0.1	1,175	12.19
April	908	260	1,168	0.0	1,168	12.19
May	908	260	1,168	0.1	1,168	12.19
June	908	260	1,168	0.1	1,168	12.19
TOTAL	10,891	3,177	14,068	1	14,069	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

IPA MONTHLY BUDGET SUMMARY 2005 - 2006
(Amounts in $1,000's except Billing Rate)
UTAH POWER & LIGHT

MONTH	MINIMUM COST COMPONENT			VARIABLE COST COMPONENT	TOTAL IPA BUDGET	BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM			
July	2,056	0	2,056	0.1	2,056	12.19
August	2,056	0	2,056	0.1	2,056	12.19
September	2,056	0	2,056	0.1	2,056	12.19
October	2,056	0	2,056	0.1	2,056	12.19
November	2,056	0	2,056	0.1	2,056	12.19
December	2,056	0	2,056	0.1	2,056	12.19
January	2,056	0	2,056	0.1	2,056	12.19
February	2,056	0	2,056	0.1	2,056	12.19
March	2,056	0	2,056	0.1	2,056	12.19
April	2,056	0	2,056	0.1	2,056	12.19
May	2,056	0	2,056	0.1	2,056	12.19
June	2,056	0	2,056	0.1	2,056	12.19
TOTAL	24,674	0	24,674	1	24,676	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

IPA MONTHLY BUDGET SUMMARY 2005 - 2006
(Amounts in $1,000's except Billing Rate)

UAMPS/DESERET

MONTH	MINIMUM COST COMPONENT			VARIABLE COST COMPONENT	TOTAL IPA BUDGET	BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM			
July	11,484	(10,937)	547	0.0	547	12.19
August	11,484	(10,937)	547	0.0	547	12.19
September	11,484	(11,010)	475	0.0	475	12.19
October	11,484	(11,300)	184	0.0	184	12.19
November	11,484	(11,300)	184	0.0	184	12.19
December	11,484	(11,300)	184	0.0	184	12.19
January	11,484	(11,300)	184	0.0	184	12.19
February	11,484	(11,300)	184	0.0	184	12.19
March	11,484	(11,225)	259	0.0	259	12.19
April	11,484	(10,924)	560	0.0	560	N/A
May	11,484	(10,924)	560	0.0	560	12.19
June	11,484	(10,924)	560	0.0	560	12.19
TOTAL	137,811	(133,381)	4,430	0	4,430	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.

NOTE: Columns/rows may not add due to rounding.

4/26/2005

BECK05_06.xls/PRINT2

SUMMARY OF ENERGY GENERATED AND ANNUAL POWER COSTS BY PURCHASER
(INCLUDING SCPPA)
2005 - 2006

(Amounts in $1,000's except for Energy Generated)

PURCHASER	MINIMUM COST COMPONENT				VARIABLE COST COMPONENT	TOTAL COST	ENERGY GENERATED (MWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM *	SCPPA **			
LOS ANGELES	275,225	115,083	390,308	49,894	22	440,224	8,657,832
ANAHEIM	81,580	0	81,580	14,790	5	96,374	1,840,141
RIVERSIDE	46,986	0	46,986	8,518	3	55,507	1,059,836
PASADENA	27,197	10,078	37,276	4,930	2	42,208	827,790
BURBANK	20,794	5,043	25,838	3,770	1	29,609	574,751
GLENDALE	10,511	3,177	13,688	1,906	1	15,595	303,687
UP&L	24,674	0	24,674	0	1	24,676	556,564
UAMPS/DESERET	137,811	(133,381)	4,430	0	0	4,430	93,500
TOTAL	624,780	0	624,780	83,808	35	708,623	13,914,100

* Excludes STS O&M which will be billed by SCPPA.
** Includes SCPPA debt service, SCPPA administrative and general, and STS O&M.

NOTE: Columns/rows may not add due to rounding.

MONTHLY POWER COSTS 2005 - 2006
(INCLUDING SCPPA)
(Amounts in $1,000's except Billing Rate)

LOS ANGELES

MONTH	MINIMUM COST COMPONENT						VARIABLE BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM *	SCPPA	VARIABLE COST COMPONENT	TOTAL COST	
July	22,935	9,437	32,372	4,158	1.9	36,532	12.19
August	22,935	9,437	32,372	4,158	1.9	36,532	12.19
September	22,935	9,499	32,435	4,158	1.8	36,594	12.19
October	22,935	9,750	32,685	4,158	1.9	36,845	12.19
November	22,935	9,750	32,685	4,158	1.9	36,845	12.19
December	22,935	9,750	32,685	4,158	1.9	36,845	12.19
January	22,935	9,750	32,685	4,158	1.9	36,845	12.19
February	22,935	9,750	32,685	4,158	1.9	36,845	12.19
March	22,935	9,685	32,620	4,158	1.9	36,780	12.19
April	22,935	9,426	32,361	4,158	1.3	36,520	12.19
May	22,935	9,426	32,361	4,158	1.9	36,521	12.19
June	22,935	9,426	32,361	4,158	1.9	36,521	12.19
TOTAL	275,225	115,083	390,308	49,894	22	440,224	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

MONTHLY POWER COSTS 2005 - 2006
(INCLUDING SCPPA)
(Amounts in $1,000's except Billing Rate)

ANAHEIM

MONTH	MINIMUM COST COMPONENT			SCPPA	VARIABLE COST COMPONENT	TOTAL COST	VARIABLE BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM				
July	6,798	0	6,798	1,232	0.4	8,031	12.19
August	6,798	0	6,798	1,232	0.4	8,031	12.19
September	6,798	0	6,798	1,232	0.4	8,031	12.19
October	6,798	0	6,798	1,232	0.4	8,031	12.19
November	6,798	0	6,798	1,232	0.4	8,031	12.19
December	6,798	0	6,798	1,232	0.4	8,031	12.19
January	6,798	0	6,798	1,232	0.4	8,031	12.19
February	6,798	0	6,798	1,232	0.4	8,031	12.19
March	6,798	0	6,798	1,232	0.4	8,031	12
April	6,798	0	6,798	1,232	0.3	8,031	12.19
May	6,798	0	6,798	1,232	0.4	8,031	12.19
June	6,798	0	6,798	1,232	0.4	8,031	12.19
TOTAL	81,580	0	81,580	14,790	5	96,374	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

MONTHLY POWER COSTS 2005 - 2006
(INCLUDING SCPPA)
(Amounts in $1,000's except Billing Rate)

RIVERSIDE

MONTH	MINIMUM COST COMPONENT: ENTITLEMENT SHARE	MINIMUM COST COMPONENT: EXCESS POWER SALES SHARE	TOTAL MINIMUM *	SCPPA	VARIABLE COST COMPONENT	TOTAL COST	BILLING RATE * (M/KWH)
July	3,916	0	3,916	710	0.2	4,626	12.19
August	3,916	0	3,916	710	0.2	4,626	12.19
September	3,916	0	3,916	710	0.2	4,626	12.19
October	3,916	0	3,916	710	0.2	4,626	12.19
November	3,916	0	3,916	710	0.2	4,626	12.19
December	3,916	0	3,916	710	0.2	4,626	12.19
January	3,916	0	3,916	710	0.2	4,626	12.19
February	3,916	0	3,916	710	0.2	4,626	12.19
March	3,916	0	3,916	710	0.2	4,626	12.19
April	3,916	0	3,916	710	0.1	4,626	12.19
May	3,916	0	3,916	710	0.2	4,626	12.19
June	3,916	0	3,916	710	0.2	4,626	12.19
TOTAL	46,986	0	46,986	8,518	3	55,507	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

MONTHLY POWER COSTS 2005 - 2006
(INCLUDING SCPPA)
(Amounts in $1,000's except Billing Rate)

PASADENA

MONTH	MINIMUM COST COMPONENT			SCPPA	VARIABLE COST COMPONENT	TOTAL COST	BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM *				
July	2,266	826	3,093	411	0.2	3,504	12.19
August	2,266	826	3,093	411	0.2	3,504	12.19
September	2,266	832	3,098	411	0.2	3,509	12.19
October	2,266	854	3,120	411	0.2	3,531	12.19
November	2,266	854	3,120	411	0.2	3,531	12.19
December	2,266	854	3,120	411	0.2	3,531	12.19
January	2,266	854	3,120	411	0.2	3,531	12.19
February	2,266	854	3,120	411	0.2	3,531	12.19
March	2,266	848	3,115	411	0.2	3,526	12.19
April	2,266	825	3,092	411	0.1	3,503	12.19
May	2,266	825	3,092	411	0.2	3,503	12.19
June	2,266	825	3,092	411	0.2	3,503	12.19
TOTAL	27,197	10,078	37,276	4,930	2	42,208	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

MONTHLY POWER COSTS 2005 - 2006
(INCLUDING SCPPA)
(Amounts in $1,000's except Billing Rate)

BURBANK

MONTH	MINIMUM COST COMPONENT						
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM *	SCPPA	VARIABLE COST COMPONENT	TOTAL COST	BILLING RATE * (M/KWH)
July	1,733	414	2,146	314	0.1	2,461	12.19
August	1,733	414	2,146	314	0.1	2,461	12.19
September	1,733	416	2,149	314	0.1	2,463	12.19
October	1,733	427	2,160	314	0.1	2,474	12.19
November	1,733	427	2,160	314	0.1	2,474	12.19
December	1,733	427	2,160	314	0.1	2,474	12.19
January	1,733	427	2,160	314	0.1	2,474	12.19
February	1,733	427	2,160	314	0.1	2,474	12.19
March	1,733	424	2,157	314	0.1	2,472	12.19
April	1,733	413	2,146	314	0.1	2,460	12.19
May	1,733	413	2,146	314	0.1	2,460	12.19
June	1,733	413	2,146	314	0.1	2,460	12.19
TOTAL	20,794	5,043	25,838	3,770	1	29,609	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

MONTHLY POWER COSTS 2005 - 2006
(INCLUDING SCPPA)
(Amounts in $1,000's except Billing Rate)

GLENDALE

MONTH	MINIMUM COST COMPONENT: ENTITLEMENT SHARE	MINIMUM COST COMPONENT: EXCESS POWER SALES SHARE	TOTAL MINIMUM *	SCPPA	VARIABLE COST COMPONENT	TOTAL COST	BILLING RATE * (M/KWH)
July	876	261	1,136	159	0.1	1,295	12.19
August	876	261	1,136	159	0.1	1,295	12.19
September	876	262	1,138	159	0.1	1,297	12.19
October	876	269	1,145	159	0.1	1,304	12.19
November	876	269	1,145	159	0.1	1,304	12.19
December	876	269	1,145	159	0.1	1,304	12.19
January	876	269	1,145	159	0.1	1,304	12.19
February	876	269	1,145	159	0.1	1,304	12.19
March	876	267	1,143	159	0.1	1,302	12.19
April	876	260	1,136	159	0.0	1,295	12.19
May	876	260	1,136	159	0.1	1,295	12.19
June	876	260	1,136	159	0.1	1,295	12.19
TOTAL	10,511	3,177	13,688	1,906	1	15,595	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

MONTHLY POWER COSTS 2005 - 2006
(INCLUDING SCPPA)
(Amounts in $1,000's except Billing Rate)

UTAH POWER AND LIGHT

MONTH	MINIMUM COST COMPONENT			SCPPA	VARIABLE COST COMPONENT	TOTAL COST	BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE	EXCESS POWER SALES SHARE	TOTAL MINIMUM *				
July	2,056	0	2,056	0	0.1	2,056	12.19
August	2,056	0	2,056	0	0.1	2,056	12.19
September	2,056	0	2,056	0	0.1	2,056	12.19
October	2,056	0	2,056	0	0.1	2,056	12.19
November	2,056	0	2,056	0	0.1	2,056	12.19
December	2,056	0	2,056	0	0.1	2,056	12.19
January	2,056	0	2,056	0	0.1	2,056	12.19
February	2,056	0	2,056	0	0.1	2,056	12.19
March	2,056	0	2,056	0	0.1	2,056	12.19
April	2,056	0	2,056	0	0.1	2,056	12.19
May	2,056	0	2,056	0	0.1	2,056	12.19
June	2,056	0	2,056	0	0.1	2,056	12.19
TOTAL	24,674	0	24,674	0	1	24,676	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

MONTHLY POWER COSTS 2005 - 2006
(INCLUDING SCPPA)
(Amounts in $1,000's except Billing Rate)

UAMPS/DESERET

MONTH	MINIMUM COST COMPONENT			SCPPA	VARIABLE COST COMPONENT	TOTAL COST	VARIABLE BILLING RATE * (M/KWH)
	ENTITLEMENT SHARE (Avg/Mn)	EXCESS POWER SALES SHARE	TOTAL MINIMUM *				
July	11,484	(10,937)	547	0	0.0	547	12.19
August	11,484	(10,937)	547	0	0.0	547	12.19
September	11,484	(11,010)	475	0	0.0	475	12.19
October	11,484	(11,300)	184	0	0.0	184	12.19
November	11,484	(11,300)	184	0	0.0	184	12.19
December	11,484	(11,300)	184	0	0.0	184	12.19
January	11,484	(11,300)	184	0	0.0	184	12.19
February	11,484	(11,300)	184	0	0.0	184	12.19
March	11,484	(11,225)	259	0	0.0	260	12.19
April	11,484	(10,924)	560	0	0.0	560	N/A
May	11,484	(10,924)	560	0	0.0	560	12.19
June	11,484	(10,924)	560	0	0.0	560	12.19
TOTAL	137,811	(133,381)	4,430	0	0	4,430	

* Billing rate for variable cost component as required in the Construction Management Operating Agreement. Actual billing amounts each month will be determined by updated estimates.
NOTE: Columns/rows may not add due to rounding.

Supplement

INTERMOUNTAIN POWER FACILITIES BUDGET COMPARISON
($1,000's)

	FY 2001-02		FY 2002-03		FY 2003-04		FY 2004-05		FY 2005-06	
	BUDGET	ACTUALS	BUDGET	ACTUALS	BUDGET	ACTUALS	BUDGET	ACTUALS	BUDGET	ACTUALS
1. Net Debt Service	325,864	303,506	317,682	296,094	297,097	275,876	299,150		307,422 [1]	
2. Operations	25,106	21,007	25,409	23,209	27,549	27,139	29,097		29,586	
3. Maintenance	28,697	30,728	31,212	31,620	35,714	34,667	35,940		36,707	
4. Renewals & Replacements	37,342	20,794	51,579	29,419	39,273	27,180	30,565		26,558 [2]	
5. Indirect Labor (IPSC)	11,877	11,380	12,997	12,637	15,478	15,091	18,064		19,178 [3]	
6. Taxes	23,549	23,725	23,461	21,621	21,001	19,919	21,564		21,498	
7. Risk Management	7,773	7,598	3,163	2,267	3,399	2,292	3,252		3,263	
8. Administrative & General	5,159	5,485	4,917	5,464	5,647	5,755	8,338		7,989	
9. Fixed Fuel	110,204	95,523	106,477	98,691	142,115	142,428	150,739		189,286 [4][5]	
Total Minimum Costs	575,572	519,746	576,897	521,022	587,273	550,346	596,709		641,487	
10. Variable Cost Component	44,928	38,265	32,382	28,406	6,819	17,448	6,778		36 [4]	
TOTAL	620,500	558,011	609,279	549,428	594,092	567,794	603,487		641,523	
Generation (MWH)	12,797,400	13,250,744	12,989,200	13,326,379	13,430,300	14177911	13,913,856		13,914,100	
Mills/KWH - Total IPA Budget - GS	48.49	42.11	46.91	41.23	44.24	40.05	43.37		46.11	
Xmsn Losses to ACS - MWH	371,125	384,272	376,687	386,465	389,479	411,159	403,502		403,509	
Net Generation (MWH) @ ACS	12,426,275	12,866,472	12,612,513	12,939,914	13,040,821	13,766,752	13,510,354		13,510,591	
Mills/KWH - @ ACS	49.93	43.37	48.31	42.46	45.56	41.24	44.67		47.48	
Capacity Factor	88%	91%	88%	90%	88%	92%	88%		88%	

[1] Principal and interest payments increased from FY 2004-05 and decrease in reinvestment earnings due to reimbursement to R&C fund.

[2] Decrease reflects a reduction of joint coal venture capital outlay.

[3] Increase made to offset underfunding of IPSC's pension plan.

[4] The number of tons of fixed cost fuel relative to variable cost fuel has increased. This is because long-term contract option tonnage prices are below current spot market prices, causing the Operating Agent to exercise option tonnage provisions.

[5] The FY 2005-06 fuel cost budget estimate has increased from FY 2004-05 by about $32M due to projected increases in coal prices, primarily due to a price redetermination of the single largest contract.

Intermountain Power Agency
Net Debt Service

	Fiscal Year 04 - 05			Budget for Fiscal	
	Thru 3/31	4/1 through 6/30	Projected Annual	Year 05 - 06	Difference
Gross Debt Service:					
Interest:					
Coupon Bonds	108,150,542.52	35,631,612.07	143,782,154.59	**139,885,660.50**	(3,896,494.09)
1985 E & F Bonds	3,552,003.32	1,620,500.00	5,172,503.32	**8,064,016.80**	2,891,513.48
Commercial Paper	4,475,450.92	1,931,000.00	6,406,450.92	**9,963,264.00**	3,556,813.08
2004 Series A Bonds	705,920.84	341,000.00	1,046,920.84	**1,629,408.80**	582,487.96
Zero Coupon Interest	12,536,732.06	4,178,910.69	16,715,642.75	**10,246,507.45**	(6,469,135.30)
Total Interest	129,420,649.66	43,703,022.76	173,123,672.42	**169,788,857.55**	(3,334,814.87)
Principal	97,520,949.19	32,506,983.06	130,027,932.25	**141,989,547.30**	11,961,615.05
Total Principal and Interest	226,941,598.85	76,210,005.82	303,151,604.67	**311,778,404.85**	8,626,800.18
Ongoing Financing	1,522,725.33	2,477,274.67	4,000,000.00	**5,000,000.00**	1,000,000.00
Gross Debt Service	**228,464,324.18**	**78,687,280.49**	**307,151,604.67**	**316,778,404.85**	**9,626,800.18**
Adjustments:					
Reinvestment Earnings:					
Debt Service Account	(909,017.76)	(148,000.00)	(1,057,017.76)	**(2,287,670.00)**	(1,230,652.24)
Debt Service Reserve	(5,708,064.69)	(1,903,000.00)	(7,611,064.69)	**(8,717,644.00)**	(1,106,579.31)
SIDSA	(50,905.44)	(17,000.00)	(67,905.44)	**(65,362.00)**	2,543.44
SIDSR	-	-	-	-	-
Operating	(819,899.15)	(273,000.00)	(1,092,899.15)	**(879,525.00)**	213,374.15
R&R	(266,421.26)	(89,000.00)	(355,421.26)	**(408,512.50)**	(53,091.24)
R&C	(841,987.48)	(281,000.00)	(1,122,987.48)	**(1,382,520.00)**	(259,532.52)
Self-Insurance	(162,497.72)	(54,000.00)	(216,497.72)	**(245,107.50)**	(28,609.78)
General Reserve	(1,004,931.63)	(335,000.00)	(1,339,931.63)	**(1,572,616.50)**	(232,684.87)
Total Reinvestment Earnings	(9,763,725.13)	(3,100,000.00)	(12,863,725.13)	(15,558,957.50)	(2,695,232.37)
R&C Fund Reimbursement Required by the Investment Policy			2,187,000.00	6,204,000.00	
Net Debt Service	218,700,599.05	75,587,280.49	296,474,879.54	307,423,447.35	6,931,567.81
Billings			299,150,000.00	307,422,000.00	8,272,000.00
Excess billings			2,675,120.46	(1,447.35)	1,340,432.19

Intermountain Power Agency
Development of Budget Amounts
Budget for Fiscal Year Ending June 30, 2006

	Principal Amounts	Interest Rate	Budget Projection
Interest Expense			
1985 E & F Bonds	310,800,000	2.59%	8,064,017
Commercial Paper	384,000,000	2.59%	9,963,264
2004 Series A Bonds	62,800,000	2.59%	1,629,409
Reinvestment Earnings			
Debt Service Account	70,000,000	3.27%	2,287,670
Debt Service Reserve	239,200,000	3.64%	8,717,644
Subordinated Indebtedness Debt Service Account (SIDSA)	2,000,000	3.27%	65,362
Operating	25,000,000	3.52%	879,525
Renewal and Replacement (R&R)	12,500,000	3.27%	408,513
Reserve and Contingency (R&C)	40,000,000	3.46%	1,382,520
Self-Insurance	7,500,000	3.27%	245,108
General Reserve	45,500,000	3.46%	1,572,617
	441,700,000	3.52%	15,558,958

Intermountain Power Services Corporation
Operating Budget 2005-06
Labor Summary by Department

Department	2003-04 Actual		2004-05 Budget		2005-06 Budget	
	Labor Regular	Labor Overtime	Labor Regular	Labor Overtime	Labor Regular	Labor Overtime
Support Services	2682	121	2815	129	2943	138
Operations	7139	1142	7569	1222	7374	1279
Maintenance	7399	823	7922	887	8326	914
Intermountain Railcar	637	33	780	15	795	33
Technical Services	8034	672	8589	664	8820	743
Converter Station	1327	151	1377	161	1417	163
IGS A's & B's	499	145	620	228	474	124
ICS A's & B's	3	0	3	0	1	2

CAPITAL COST PROJECTION

Costs Shown In Future Dollars *

($000)

Fiscal Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
GENERATING STATION:										
IGS Capital										
Distributed Control System Replacement	$3,225	$2,759	$0	$0	$0	$0	$0	$0	$0	$0
ID Fan Drive Replacements	2,060	2,044	0	0	0	0	0	0	0	0
U1 Generator Generrex and Spare Bars	7,560	0	0	0	0	0	0	0	0	0
Concrete Water Lines Repair and Protect.	3,735	1,252	2,324	0	0	0	0	0	0	0
Scrubber Outlet Duct Rebuild	835	659	0	0	0	0	0	0	0	0
NOx Reduction Technology	0	0	0	0	0	128,219	131,040	0	0	0
Other	3,586	20,696	29,449	31,511	32,183	40,417	33,615	34,354	35,110	35,882
Total	$21,001	$27,410	$31,773	$31,511	$32,183	$168,636	$164,654	$34,354	$35,110	$35,882
Coal Capital										
Crandall Canyon Project	$2,500	$2,044	$2,089	$534	$545	$557	$570	$582	$595	$0
West Ridge Project	2,500	2,044	1,567	1,067	1,091	5,575	1,709	1,165	1,190	1,216
New/Additional Coal Ventures	0	11,242	7,834	14,411	3,818	16,167	12,534	19,797	8,331	8,514
Other Project Development	100	102	104	107	109	111	114	116	119	122
Total	$5,100	$15,432	$11,594	$16,119	$5,564	$22,410	$14,927	$21,661	$10,235	$9,852
NORTHERN TRANSMISSION:										
Gonder - Grounding Upgrade	$0	$0	$3,133	$0	$0	$0	$0	$0	$0	$0
Other	239	51	52	53	109	111	114	116	119	122
Total	$239	$51	$3,186	$53	$109	$111	$114	$116	$119	$122
SOUTHERN TRANSMISSION:										
Roofing - Adelanto Converter Station	$0	$511	$0	$0	$0	$0	$0	$0	$0	$0
Cooling Towers - Intermountain CS	0	0	366	0	0	0	0	0	0	0
Replace Adelanto Electrode Cable	0	78	2,660	0	0	0	0	0	0	0
DC Control Systems	0	0	0	0	10,909	11,149	0	0	0	0
Other	218	511	522	534	1,091	1,115	1,139	1,165	1,190	1,216
Total	$218	$1,100	$3,547	$534	$12,000	$12,264	$1,139	$1,165	$1,190	$1,216
Total	$26,558	$43,993	$50,100	$48,217	$49,856	$203,422	$180,835	$57,296	$46,654	$47,073

* Escalated to future dollars using an assumed annual rate of 2.2%.