

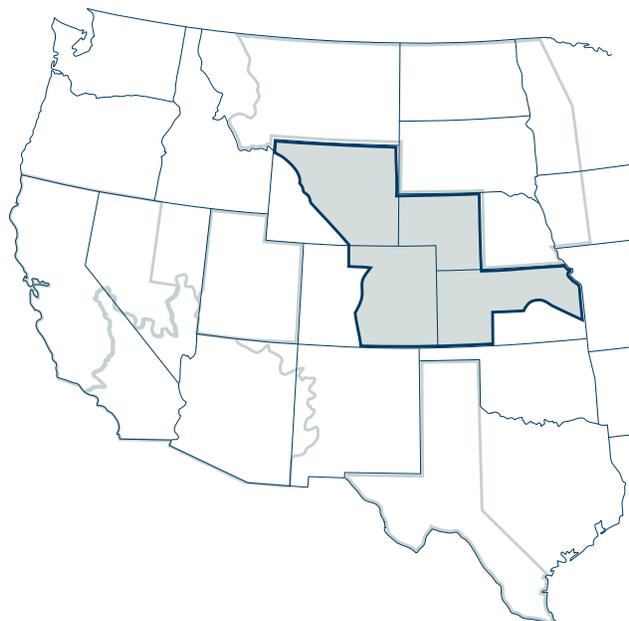
## Loveland Area Projects

Western's post-1989 power marketing plan operationally and contractually integrated the Fryingpan-Arkansas (Fry-Ark) Project and the Pick-Sloan Missouri Basin Program—Western Division as the Loveland Area Projects for marketing and rate-setting purposes in 1990.

Western's Rocky Mountain Region administers this program. LAP power is marketed to 43 firm power customers in RM's service area, plus 13 Bureau of Reclamation project use customers. Forty percent of LAP power is sold in Colorado, with the remaining power sold in Kansas, Nebraska and Wyoming. The LAP revenue requirement for the firm power rate is determined by combining Fry-Ark and Western Division revenue requirements. A single LAP rate design is developed using this revenue requirement. The current LAP firm power rate is 23.90 mills/kWh. Continuing drought conditions have resulted in high purchased power costs with an end result that the current rate is now inadequate to meet expenses. During FY 2005, RM completed a public process to increase the firm power rate using a two-step approach. On Jan. 1, 2006, the rate will increase to 26.12 mills/kWh. The second step will be implemented on Jan. 1, 2007, increasing the rate to 27.36 mills/kWh.

Fry-Ark and Western Division financial and repayment responsibilities remain separate. Pick-Sloan financial statements contain information that reflects costs from both the Eastern and Western divisions and the generating agencies (Bureau of Reclamation and U.S. Army Corps of Engineers). The Western Division is allocated a portion of those costs. Fry-Ark financial statements reflect only Fry-Ark information.

Western's firm power contracts provide a specific amount of capacity and energy each month for the contract term. LAP firm energy is



marketed based on long-term average generation; capacity is allocated based on 90 percent probability of exceedance. These contracts remain in effect until Sept. 30, 2024.

On Oct. 1, 2004, RM began deliveries of LAP power to new customers that received allocations under the LAP Post 2004 Resource Pool. New customers received 27 MW of LAP power. These new customers included five Native American tribes in Wyoming and Kansas; a municipal utility and a U.S. Army installation in southern Colorado and a number of municipal and cooperative utilities in Kansas.

RM continues to investigate opportunities to partner with its customers to install of new facilities and upgrade existing systems. Western has collaborated with the other two major utilities in Colorado on a joint microwave system. Western has also worked with Reclamation

and other customers to install overhead ground wire fiber optic communication systems. Western has partnered with two of its customers on upgrades of its aging wood pole transmission lines in eastern Colorado.

During FY 2005, RM actively promoted renewable energy. During the year, RM purchased more than 1,100 MWH of renewable energy certificates, or green tags, on behalf of several Federal agencies, including the Department of the Army, the Department of Energy and the Environmental Protection Agency.

The region has received many requests for interconnection of wind generation to its transmission system. RM processes these requests under OATT business rules. Due to the increase interest in connecting intermittent renewable resources to its transmission system, RM staff have been identifying the impact of these resources on the minute-to-minute regulation requirements on the RM system. Western has consulted with industry experts on possible methodologies for determining the actual impact and assigning costs for regulation correctly. RM conducted a formal public process during FY 2005 to establish a new regulation rate. RM will propose a final rate in FY 2006.

### **Fryingpan-Arkansas Project**

This multipurpose transmountain diversion development is located in south-central Colorado. It diverts surplus water from the Fryingpan River on the west slope of the Rocky Mountains and brought to the east slope to support irrigation, municipal water supplies and electric power generation.

The project has six dams and five reservoirs with a total storage of 741,000 acre-feet of water, 70 miles of tunnels and canals and a pumped-storage power plant at Mount Elbert. Its two generating units have an installed capacity of 206 MW. While the majority of project capacity depends on water pumped during off-peak hours and water releases for power production when needed, some generation is attributed to flow-through water.

Authorization for the first 100 MW unit of the power plant was granted on Aug. 16, 1962. The second unit was authorized on Oct. 27, 1974. Work on these two units was completed in 1984.

Mount Elbert power plant has become increasingly valuable to Western and its customers. Customers have maximized their use of the pumped-storage capability under their contracts by taking delivery during the day (on-peak) and returning energy at night (off-peak) to pump water back into the powerplant's forebay.

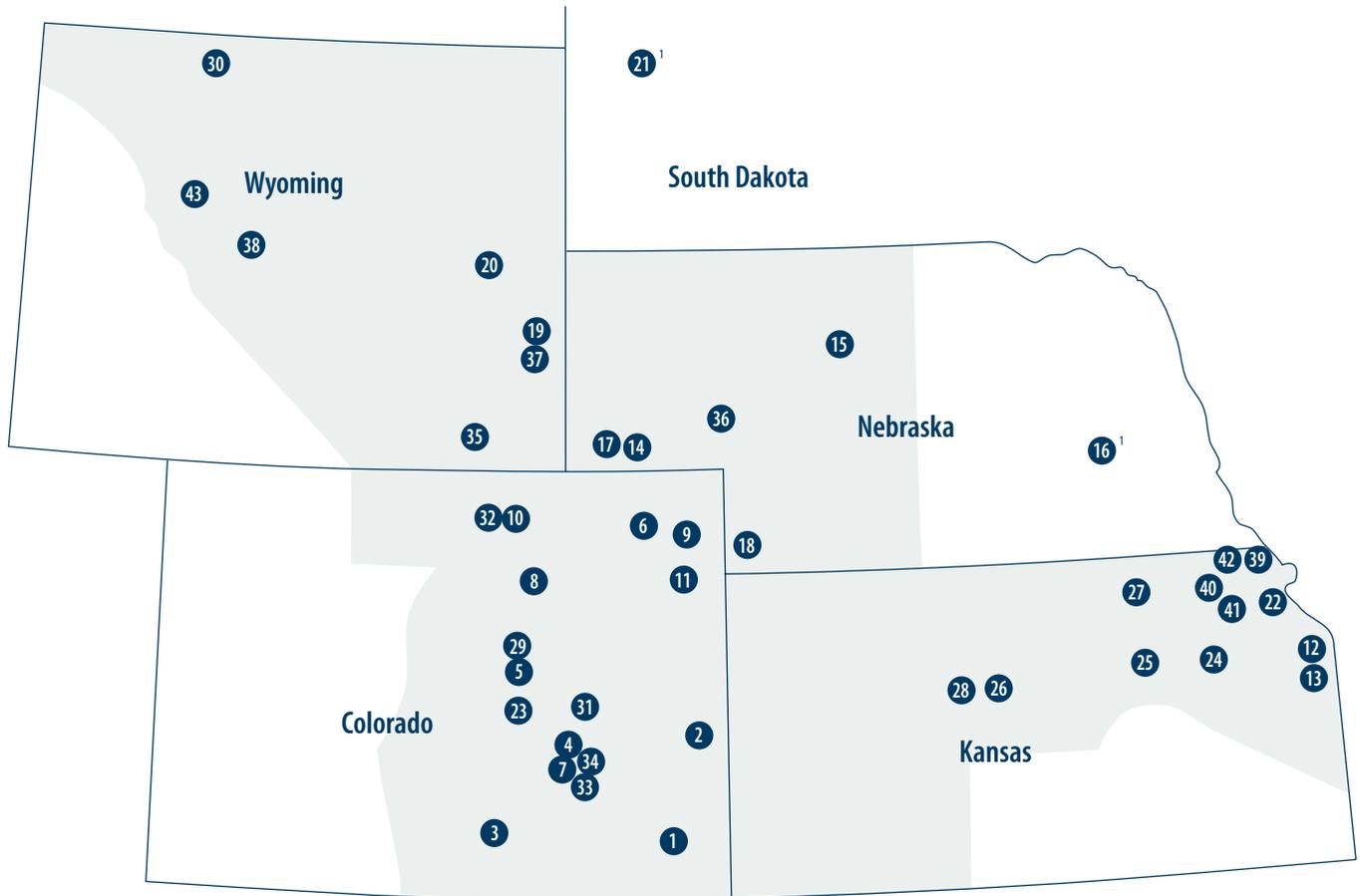
### **Pick-Sloan Missouri Basin Program— Western Division**

Both the Eastern and Western divisions have common electrical facilities at Yellowtail Dam in Montana and at a point near Gering, Neb. The divisions are, however, separate and distinct systems. Both divisions contribute revenue to repay P-SMBP expenses and investments with different generating resources, firm power allocations and rate structures.

Western Division generating resources include five units of the P-SMBP and four other Reclamation projects authorized before P-SMBP but that are integrated with P-SMBP for repayment purposes. The Boysen, Glendo, Kortes, Riverton and Yellowtail units include the Boysen, Glendo, Fremont Canyon, Kortes, Pilot Butte and Yellowtail power plants. The Colorado-Big Thompson, Kendrick, North Platte and Shoshone projects include the Green Mountain, Marys Lake, Estes, Pole Hill, Flatiron, Big Thompson, Seminole, Alcova, Guernsey, Shoshone, Buffalo Bill, Heart Mountain and Spirit Mountain powerplants. Reclamation operates and maintains all Western Division powerplants. The Western Division powerplants' combined installed capability is 631 MW.

Western Division reservoir storage was 68 percent of average to start FY 2005. Reservoir inflows improved throughout the year: 95 percent of average for the Colorado-Big Thompson Project, 97 percent in the North Platte Basin, and 90 percent in the Bighorn Basin. The Adams Tunnel export of water from the Colorado River Basin to the Big Thompson River Basin was only 72 percent of average (163,000 acre-feet) due to project water deliveries that were well below average. Resulting Western Division reservoir storage at fiscal year end was 89 percent of average. ■

# LOVELAND AREA PROJECTS



## Municipalities

### Colorado

- 1 Arkansas River Power Authority
- 2 Burlington
- 3 Center
- 4 Colorado Springs Utilities
- 5 Denver Water Board
- 6 Fort Morgan
- 7 Fountain
- 8 Frederick
- 9 Holyoke
- 10 Platte River Power Authority
- 11 Wray

### Kansas

- 12 Kansas City Board of Public Utilities
- 13 Kansas Municipal Energy Agency

### Nebraska

- 14 Lodgepole
- 15 Mullen
- 16 Municipal Energy Agency of Nebraska
- 17 Sidney
- 18 Wauneta

### Wyoming

- 19 Torrington
- 20 Wyoming Municipal Power Agency

## Rural electric cooperatives

- 21 Basin Electric Power Cooperative
- 22 Doniphan Electric Coop Assn.
- 23 Intermountain Rural Electric Assn.
- 24 Kansas Elec. Power Cooperative
- 25 Kaw Valley Electric
- 26 Midwest Energy, Inc.
- 27 Nehama-Marshall Electric Coop Assn.
- 28 Sunflower Electric Power Corp.
- 29 Tri-State Generation & Trans. Assn.
- 30 Willwood Light & Power Co.

## Federal agencies

- 31 U.S. Air Force Academy
- 32 Arapahoe and Roosevelt National Forests
- 33 Fort Carson
- 34 Peterson Air Force Base
- 35 F.E. Warren Air Force Base

## Public utility district

- 36 Nebraska Public Power District

## Irrigation districts

- 37 Goshen Irrigation District
- 38 Midvale Irrigation District

## Native American tribes

- 39 Iowa Tribe of Kansas and Nebraska
- 40 Kickapoo Tribe in Kansas
- 41 Prairie Band Potawatomi Nation
- 42 Sac and Fox Nation of Missouri
- 43 Wind River Reservation

Note: Does not include 13 Bureau of Reclamation project use customers.

<sup>1</sup> All customer loads are delivered within the project's marketing area, even though the customer's headquarters may not be within it, as shown on this map.

## LOVELAND AREA PROJECTS

### Energy Resources and Disposition

	GWh	
	FY 2005	FY 2004
<b>Energy resources</b>		
Net generation	1,694	1,631
Interchange		
Received <sup>1</sup>	362	466
Delivered	4	20
OEA deferred-received <sup>2</sup>	293	0
Net	650	446
Purchases		
NonWestern	1,023	1,213
Western	27	26
<b>Total purchases</b>	<b>1,050</b>	<b>1,239</b>
<b>Total energy resources</b>	<b>3,394</b>	<b>3,316</b>
<b>Energy disposition</b>		
Sales of electric energy		
LAP sales	2,489	2,456
Project use sales	11	11
<b>Total energy sales</b>	<b>2,500</b>	<b>2,467</b>
<b>Other</b>		
Interproject sales	92	250
Other deliveries <sup>3</sup>	672	810
<b>Total other</b>	<b>763</b>	<b>1,060</b>
<b>Total energy delivered</b>	<b>3,264</b>	<b>3,527</b>
System and contractual losses <sup>4</sup>	130	(211)
<b>Total energy disposition</b>	<b>3,394</b>	<b>3,316</b>

<sup>1</sup> Includes energy returned from customers for pump storage.

<sup>2</sup> OEA is Operating Energy Account.

<sup>3</sup> Includes energy used for pumping, pumping generation schedules (customers' use of pump storage) and Colorado-Big Thompson project pumping.

<sup>4</sup> System and contractual losses are due to over/underdeliveries by others in the control area causing energy imbalance.

### Facilities and Substations

Facility	FY 2005	FY 2004
<b>Substations</b>		
Number of substations <sup>1</sup>	72	69
Number of transformers	67	67
Transformer capacity (kVA)	1,812,700	1,812,700
<b>Land (fee)</b>		
Acres	441.24	441.59
Hectares	179	179
<b>Land (easement)</b>		
Acres	138.98	138.94
Hectares	56	56
<b>Buildings and communications sites</b>		
Number of buildings	191	191
Number of communications sites	107	104
<b>Land (fee)</b>		
Acres	57.37	57.30
Hectares	23.23	23.20
<b>Land (easement)</b>		
Acres	34.46	34.46
Hectares	13.95	13.95

<sup>1</sup> Data cleanup accounts for an increase in substations owned (Lyman, Weld) and a new substation (Whiterock).

### Transmission Lines

Voltage Rating	Colorado		Nebraska		Wyoming		Total	
	FY 2005	FY 2004	FY 2005	FY 2004	FY 2005	FY 2004	FY 2005	FY 2004
<b>230-kV</b>								
Circuit miles	64.93	64.93	125.79	125.79	316.31	316.31	507.03	507.03
Circuit kilometers	104.47	104.47	202.40	202.40	508.94	508.94	815.81	815.81
Acres	962.82	963.48	1,949.64	1,944.25	5,163.13	5,141.04	8,075.59	8,048.77
Hectares	389.81	390.07	789.33	787.15	2,090.34	2,081.40	3,269.48	3,258.62
<b>138-kV</b>								
Circuit miles	23.50	23.50	0.00	0.00	0.00	0.00	23.50	23.50
Circuit kilometers	37.81	37.81	0.00	0.00	0.00	0.00	37.81	37.81
Acres	285.99	286.89	0.00	0.00	0.00	0.00	285.99	286.89
Hectares	115.79	116.15	0.00	0.00	0.00	0.00	115.79	116.15
<b>115-kV</b>								
Circuit miles <sup>1</sup>	657.01	656.87	345.48	345.52	1,305.73	1,309.60	2,308.22	2,311.99
Circuit kilometers	1,057.13	1,056.90	555.88	555.94	2,100.92	2,107.15	3,713.93	3,719.99
Acres	7,941.03	7,991.70	3,505.34	3,527.37	11,218.44	11,321.73	22,664.81	22,840.80
Hectares	3,215.00	3,235.51	1,419.17	1,428.09	4,541.89	4,583.71	9,176.06	9,247.31
<b>69-kV and below</b>								
Circuit miles <sup>1</sup>	82.48	82.48	69.44	69.44	364.86	362.01	516.78	513.93
Circuit kilometers	132.71	132.71	111.73	111.73	587.06	582.47	831.50	826.91
Acres	619.31	608.07	334.69	382.18	3,693.06	3,703.76	4,647.06	4,694.01
Hectares	250.73	246.18	135.50	154.73	1,495.17	1,499.50	1,881.40	1,900.41
<b>Totals</b>								
<b>Circuit miles</b>	<b>827.92</b>	<b>827.78</b>	<b>540.71</b>	<b>540.75</b>	<b>1,986.90</b>	<b>1,987.92</b>	<b>3,355.53</b>	<b>3,356.45</b>
<b>Circuit kilometers</b>	<b>1,332.12</b>	<b>1,331.90</b>	<b>870.00</b>	<b>870.07</b>	<b>3,196.92</b>	<b>3,198.56</b>	<b>5,399.05</b>	<b>5,400.53</b>
<b>Acres</b>	<b>9,809.15</b>	<b>9,850.14</b>	<b>5,789.67</b>	<b>5,853.80</b>	<b>20,074.63</b>	<b>20,166.53</b>	<b>35,673.45</b>	<b>35,870.47</b>
<b>Hectares</b>	<b>3,971.32</b>	<b>3,987.92</b>	<b>2,344.00</b>	<b>2,369.96</b>	<b>8,127.40</b>	<b>8,164.61</b>	<b>14,442.72</b>	<b>14,522.49</b>

<sup>1</sup> Change in mileage due to re-route through (new) Whiterock Substation.

# LOVELAND AREA PROJECTS

## Powerplants

Plant name	Operating agency	River	Initial In-service date	Existing number of units	Installed capability <sup>1</sup> FY 2005 (MW)	Actual operating capability (MW)		Net generation (GWh) <sup>2</sup>	
						7/1/05	7/1/04	FY 2005	FY 2004
<b>Colorado</b>									
Big Thompson	BuRec	Trans-Mtn. Div.	Apr 59	1	5	4	4	8	10
Estes	BuRec	Trans-Mtn. Div.	Sep 50	3	45	45	45	70	107
Flatiron <sup>3</sup>	BuRec	Trans-Mtn. Div.	Jan 54	3 <sup>4</sup>	95	95	95	187	227
Green Mountain	BuRec	Blue	May 43	2	26	0	13	21	27
Marys Lake	BuRec	Trans-Mtn. Div.	May 51	1	8	0	8	18	38
Mount Elbert <sup>3</sup>	BuRec	Arkansas	Oct 81	2	200	206	106	263	344
Pole Hill	BuRec	Trans-Mtn. Div.	Jan 54	1	38	32	32	150	179
<b>Montana</b>									
Yellowtail <sup>5</sup>	BuRec	Big Horn	Aug 66	2	125	132	124	255	160
<b>Wyoming</b>									
Alcova	BuRec	North Platte	Jul 55	2	41	39	39	89	69
Boysen	BuRec	Big Horn	Aug 52	2	15	15	15	54	29
Buffalo Bill	BuRec	Shoshone	May 95	3	18	18	12	56	47
Fremont Canyon	BuRec	North Platte	Dec 60	2	67	33	67	175	143
Glendo	BuRec	North Platte	Dec 58	2	38	38	38	56	46
Guernsey	BuRec	North Platte	Jul 99	2	6	6	6	12	10
Heart Mountain	BuRec	Shoshone	Dec 48	1	5	5	5	7	9
Kortes	BuRec	North Platte	Jun 50	3	36	36	24	125	83
Pilot Butte	BuRec	Wind	Jan 99	2	2	0	1	4	4
Seminole	BuRec	North Platte	Aug 39	3	52	51	51	109	63
Shoshone	BuRec	Shoshone	May 95	1	3	3	3	21	18
Spirit Mountain	BuRec	Shoshone	May 95	1	5	5	5	14	17
<b>Loveland Area Projects Total</b>				<b>39</b>	<b>830</b>	<b>763</b>	<b>693</b>	<b>1,694</b>	<b>1,631</b>

<sup>1</sup> Maximum operating capability is the maximum generating capability of the units at unity power factor without exceeding the specified heat rise on each unit and independent of water constraints.

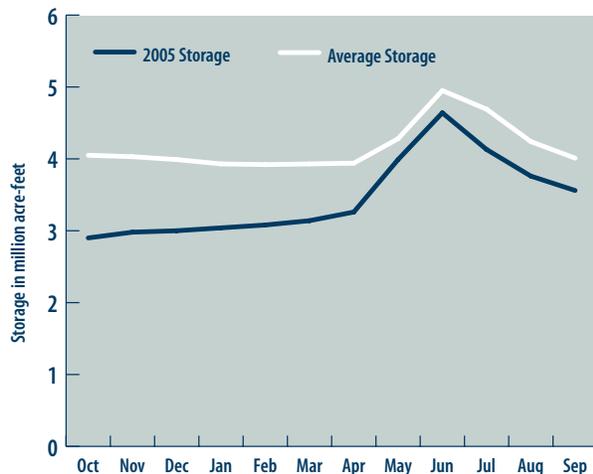
<sup>2</sup> Net generation is gross plant generation less plant use.

<sup>3</sup> Pump/generating plant. The only marketed energy is that generated by Mt. Elbert conduit flows.

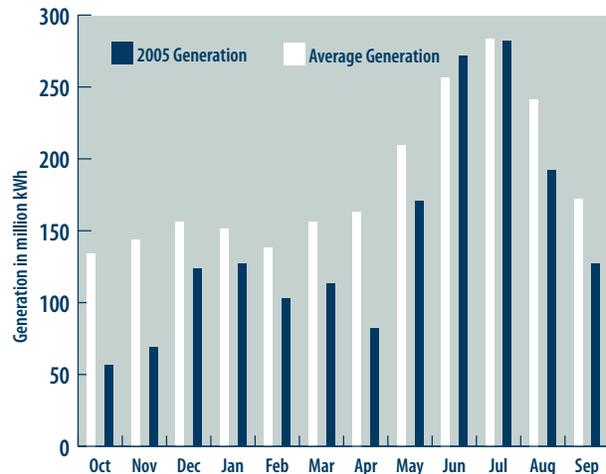
<sup>4</sup> Net generation of pump/generating plant without pumping energy subtracted. Only unit 3 has pump/generation capability.

<sup>5</sup> Generation from units 1 and 2 is marketed by Rocky Mountain Region, and from units 3 and 4 by Upper Great Plains Region. For this table, one-half of the total capability and output is shown under each of these two regions.

## Storage



## Generation



## LOVELAND AREA PROJECTS

### Firm Power Rate Provisions

Fiscal year	Rate schedule designation	Capacity charge (\$/kW of billing demand)	Energy charge not in excess of delivery obligations	Effective date	Annual composite rate
2005	L-F5 (2nd step)	\$3.14	11.95 mills/kWh	10/1/04	23.90 mills/kWh

### Transmission and Ancillary Service Rate Provisions

Fiscal year	Rate schedule designation	
2005	L-NT1, Network Integration Transmission Service	Load ratio share of 1/12 of the revenue requirement of \$37,982,534
	L-FPT1, Firm Transmission Service	\$2.79/kW/month
	L-NFPT1, Nonfirm Transmission Service	3.75 mills/kWh (Maximum)
	L-AS1, Scheduling, System Control, and Dispatch Service	\$24.95/tag/day
	L-AS2, Reactive Supply and Voltage Control from Generation Sources Service	\$0.124/kW/month
	L-AS3, Regulation and Frequency Response Service	\$0.197/kW/month
	L-AS4, Energy Imbalance Service	10% bandwidth, 4 MW minimum, 25% penalty, LAP weighted average hourly purchase or sales price.
	L-AS5, Operating Reserve - Spinning Reserve Service	Pass-through cost
	L-AS6, Operating Reserve - Supplemental Reserve Service	Pass-through cost

### Rate Action Summary

Rate order no.	Project	Type of rate action	Date of notice of public participation	Effective date of rate (first day of first full billing period)	Projected annual incremental \$(000)	Notes	Date submitted to FERC
WAPA-125	LAP	Firm electric service rate adjustment	6/16/05	1/1/06	\$4,547	1st Step Rate	11/10/05
WAPA-125	LAP	Firm electric service rate adjustment	6/16/05	1/1/06	\$2,523	2nd Step Rate	11/10/05

### Marketing Plan Summary

Project	Expiration date
Loveland Area Projects	Sept. 30, 2024

## LOVELAND AREA PROJECTS

### Firm and Nonfirm Energy Sales by Customer Category

Type of customer	FY 2005			FY 2004		
	Firm	Nonfirm	Total	Firm	Nonfirm	Total
<b>Municipalities</b>						
Energy sales - MWh	746,317	27,788	774,105	755,128	31,693	786,821
Revenues - \$	17,790,746	1,221,635	19,012,381	17,276,130	1,023,232	18,299,362
<b>Cooperatives</b>						
Energy sales - MWh	1,190,423	65,621	1,256,044	1,193,145	51,204	1,244,349
Revenues - \$	28,864,952	3,020,019	31,884,971	27,821,491	1,388,605	29,210,096
<b>Federal agencies</b>						
Energy sales - MWh	60,906	0	60,906	77,552	0	77,552
Revenues - \$	1,143,695	0	1,143,695	1,346,590	0	1,346,590
<b>Public utility districts</b>						
Energy sales - MWh	13,738	0	13,738	14,149	0	14,149
Revenues - \$	278,466	0	278,466	276,325	0	276,325
<b>Native American tribes</b>						
Energy sales - MWh	26,370	0	26,370	0	0	0
Revenues - \$	638,060	0	638,060	0	0	0
<b>Irrigation districts</b>						
Energy sales - MWh	187	0	187	186	0	186
Revenues - \$	4,471	0	4,471	4,172	0	4,172
<b>Investor-owned utilities</b>						
Energy sales - MWh	0	177,189	177,189	0	249,157	249,157
Revenues - \$	0	5,892,420	5,892,420	0	7,545,851	7,545,851
<b>Power marketers</b>						
Energy sales - MWh	0	180,671	180,671	0	83,959	83,959
Revenues - \$	0	6,061,688	6,061,688	0	1,959,939	1,959,939
<b>Total <sup>1</sup></b>						
Energy sales - MWh	2,037,941	451,269	2,489,210	2,040,160	416,013	2,456,173
Revenues - \$	48,720,390	16,195,762	64,916,152	46,724,708	11,917,627	58,642,335

<sup>1</sup> Excludes energy sales and power revenues to interproject and project use customers.

### Firm and Nonfirm Sales by State

State	FY 2005			FY 2004		
	Firm	Nonfirm	Total	Firm	Nonfirm	Total
<b>Colorado</b>						
Energy sales - MWh	1,479,236	168,573	1,647,809	1,541,182	186,469	1,727,651
Power revenues - \$	35,999,360	6,784,712	42,784,072	35,929,076	5,935,397	41,864,473
<b>Florida</b>						
Energy sales - MWh	0	1,484	1,484	0	120	120
Power revenues - \$	0	85,894	85,894	0	326	326
<b>Idaho</b>						
Energy sales - MWh	0	0	0	0	194	194
Power revenues - \$	0	0	0	0	4,278	4,278
<b>Kansas</b>						
Energy sales - MWh	241,594	0	241,594	186,514	0	186,514
Power revenues - \$	5,158,972	0	5,158,972	3,655,453	0	3,655,453
<b>Maryland</b>						
Energy sales - MWh	0	30	30	0	20	20
Power revenues - \$	0	1,418	1,418	0	625	625
<b>Minnesota</b>						
Energy sales - MWh	0	98,473	98,473	0	30,235	30,235
Power revenues - \$	0	4,093,752	4,093,752	0	1,049,622	1,049,622

## LOVELAND AREA PROJECTS

### Firm and Nonfirm Sales by State, continued

State	FY 2005			FY 2004		
	Firm	Nonfirm	Total	Firm	Nonfirm	Total
<b>Missouri</b>						
Energy sales - MWh	0	3,310	3,310	0	4,289	4,289
Power revenues - \$	0	124,543	124,543	0	151,991	151,991
<b>Montana</b>						
Energy sales - MWh	0	8,110	8,110	0	14,019	14,019
Power revenues - \$	0	217,460	217,460	0	386,157	386,157
<b>Nebraska</b>						
Energy sales - MWh	162,527	3,540	166,067	160,592	547	161,139
Power revenues - \$	3,919,099	161,953	4,081,052	3,717,760	15,144	3,732,904
<b>North Dakota</b>						
Energy sales - MWh	82,696	70,419	153,115	85,142	43,843	128,985
Power revenues - \$	1,901,791	2,328,765	4,230,556	1,876,499	1,135,033	3,011,532
<b>Oregon</b>						
Energy sales - MWh	0	23,729	23,729	0	67,515	67,515
Power revenues - \$	0	772,384	772,384	0	1,945,309	1,945,309
<b>South Dakota</b>						
Energy sales - MWh	0	29,150	29,150	0	26,557	26,557
Power revenues - \$	0	1,038,330	1,038,330	0	803,369	803,369
<b>Texas</b>						
Energy sales - MWh	0	5	5	0	0	0
Power revenues - \$	0	121	121	0	0	0
<b>Utah</b>						
Energy sales - MWh	0	0	0	0	56	56
Power revenues - \$	0	0	0	0	1,470	1,470
<b>Wyoming</b>						
Energy sales - MWh	71,888	0	71,888	66,730	0	66,730
Power revenues - \$	1,741,168	0	1,741,168	1,545,919	0	1,545,919
<b>Canada</b>						
Energy sales - MWh	0	44,446	44,446	0	42,149	42,149
Power revenues - \$	0	586,430	586,430	0	488,906	488,906
<b>Total Loveland Area Projects <sup>1</sup></b>						
Energy sales - MWh	2,037,941	451,269	2,489,210	2,040,160	416,013	2,456,173
Power revenues - \$	48,720,390	16,195,762	64,916,152	46,724,708	11,917,627	58,642,335

<sup>1</sup> Excludes energy sales and power revenues to interproject and project use customers.

### Energy Sales by State and Customer Category

State/Type of customer	FY 2005		FY 2004	
	Energy (MWh)	Revenue (\$)	Energy (MWh)	Revenue (\$)
<b>Colorado</b>				
Municipalities	470,999	11,588,228	494,068	11,486,057
Cooperatives	1,019,360	26,627,832	1,036,278	25,088,113
Federal agencies	44,560	828,309	60,722	1,035,557
Investor-owned utilities	112,890	3,739,703	136,583	4,254,747
Project use sales	250	1,753	173	1,213
<b>Total Colorado</b>	<b>1,648,0589</b>	<b>42,785,825</b>	<b>1,727,824</b>	<b>41,865,686</b>
<b>Florida</b>				
Power marketers	1,484	85,894	120	326
<b>Total Florida</b>	<b>1,484</b>	<b>85,894</b>	<b>120</b>	<b>326</b>
<b>Idaho</b>				
Investor-owned utilities	0	0	194	4,278
<b>Total Idaho</b>	<b>0</b>	<b>0</b>	<b>194</b>	<b>4,278</b>
<b>Kansas</b>				
Municipalities	100,085	2,311,423	96,458	2,133,587
Cooperatives	119,350	2,311,452	90,056	1,521,866
Native American tribes	22,159	536,097	0	0
Project use sales	38	94	59	147
<b>Total Kansas</b>	<b>241,632</b>	<b>5,159,066</b>	<b>186,573</b>	<b>3,655,601</b>

## LOVELAND AREA PROJECTS

### Energy Sales by State and Customer Category, continued

State/Type of customer	FY 2005		FY 2004	
	Energy (MWh)	Revenue (\$)	Energy (MWh)	Revenue (\$)
<b>Maryland</b>				
Power marketers	30	1,418	20	625
<b>Total Maryland</b>	<b>30</b>	<b>1,418</b>	<b>20</b>	<b>625</b>
<b>Minnesota</b>				
Power marketers	98,473	4,093,752	30,235	1,049,622
<b>Total Minnesota</b>	<b>98,473</b>	<b>4,093,752</b>	<b>30,235</b>	<b>1,049,622</b>
<b>Missouri</b>				
Investor-owned utilities	3,310	124,543	4,289	151,991
<b>Total Missouri</b>	<b>3,310</b>	<b>124,543</b>	<b>4,289</b>	<b>151,991</b>
<b>Montana</b>				
Investor-owned utilities	8,110	217,460	14,019	386,157
Interproject	0	0	55	2,246
<b>Total Montana</b>	<b>8,110</b>	<b>217,460</b>	<b>14,074</b>	<b>388,403</b>
<b>Nebraska</b>				
Municipalities	152,329	3,802,586	146,990	3,456,579
Public utility districts	13,738	278,466	14,149	276,325
<b>Total Nebraska</b>	<b>166,067</b>	<b>4,081,052</b>	<b>161,139</b>	<b>3,732,904</b>
<b>North Dakota</b>				
Cooperatives	116,882	2,936,483	117,550	2,591,072
Power marketers	36,233	1,294,073	11,435	420,460
<b>Total North Dakota</b>	<b>153,115</b>	<b>4,230,556</b>	<b>128,985</b>	<b>3,011,532</b>
<b>Oregon</b>				
Investor-owned utilities	23,729	772,384	67,515	1,945,309
<b>Total Oregon</b>	<b>23,729</b>	<b>772,384</b>	<b>67,515</b>	<b>1,945,309</b>
<b>South Dakota</b>				
Investor-owned utilities	29,150	1,038,330	26,557	803,369
<b>Total South Dakota</b>	<b>29,150</b>	<b>1,038,330</b>	<b>26,557</b>	<b>803,369</b>
<b>Texas</b>				
Power marketers	5	121	0	0
<b>Total Texas</b>	<b>5</b>	<b>121</b>	<b>0</b>	<b>0</b>
<b>Utah</b>				
Municipalities	0	0	56	1,470
Interproject	384,327	18,147,886	250,392	7,463,568
<b>Total Utah</b>	<b>384,327</b>	<b>18,147,886</b>	<b>250,448</b>	<b>7,465,038</b>
<b>Wyoming</b>				
Municipalities	50,692	1,310,144	49,249	1,221,669
Cooperatives	452	9,204	465	9,045
Federal agencies	16,346	315,386	16,830	311,033
Native American tribes	4,211	101,963	0	0
Irrigation districts	187	4,471	186	4,172
Project use sales	10,350	25,875	10,505	26,261
<b>Total Wyoming</b>	<b>82,238</b>	<b>1,767,043</b>	<b>77,235</b>	<b>1,572,180</b>
<b>Canada</b>				
Power marketers	44,446	586,430	42,149	488,906
<b>Total Canada</b>	<b>44,446</b>	<b>586,430</b>	<b>42,149</b>	<b>488,906</b>
<b>Total Loveland Area Projects</b>				
Municipalities	774,105	19,012,381	786,821	18,299,362
Cooperatives	1,256,044	31,884,971	1,244,349	29,210,096
Federal agencies	60,906	1,143,695	77,552	1,346,590
Public utility districts	13,738	278,466	14,149	276,325
Native American tribes	26,370	638,060	0	0
Irrigation districts	187	4,471	186	4,172
Investor-owned utilities	177,189	5,892,420	249,157	7,545,851
Power marketers	180,671	6,061,688	83,959	1,959,939
Interproject	384,327	18,147,886	250,447	7,465,814
Project use sales	10,638	27,722	10,737	27,622
<b>Total</b>	<b>2,884,175</b>	<b>83,091,760</b>	<b>2,717,357</b>	<b>66,135,770</b>

## LOVELAND AREA PROJECTS

### Top 5 Customers in Firm Energy Sales

Rank	Customer	(MWh)	Percent of total firm sales
1	Tri-State Generation & Transmission Assn.	906,443	44.5
2	Colorado Springs Utilities	211,120	10.4
3	Municipal Energy Agency of Nebraska	139,767	6.9
4	Platte River Power Authority	110,436	5.4
5	Kansas Electric Power Cooperative, Inc.	88,782	4.4
<b>Total</b>		<b>1,456,547</b>	<b>71.5</b>

### Top 5 Customers in Firm Energy Revenue

Rank	Customer	(\$)	Percent of total firm revenue
1	Tri-State Generation & Transmission Assn.	22,932,188	47.1
2	Colorado Springs Utilities	4,760,322	9.8
3	Municipal Energy Agency of Nebraska	3,392,683	7.0
4	Platte River Power Authority	2,499,166	5.1
5	Kansas Municipal Energy Agency	1,951,371	4.0
<b>Total</b>		<b>35,535,730</b>	<b>72.9</b>

### Top 5 Customers in Nonfirm Energy Sales

Rank	Customer	(MWh)	Percent of total nonfirm sales
1	Xcel Energy	112,890	25.0
2	Cargill-Alliant, LLC	98,473	21.8
3	PowerEx Corp.	43,827	9.7
4	Rainbow Energy Marketing Corp.	36,233	8.0
5	Basin Electric Power Cooperative	34,186	7.6
<b>Total</b>		<b>325,609</b>	<b>72.2</b>

### Top 5 Customers in Nonfirm Energy Revenue

Rank	Customer	(\$)	Percent of total nonfirm revenue
1	Cargill-Alliant, LLC	4,093,752	25.3
2	Xcel Energy	3,739,703	23.1
3	Rainbow Energy Marketing Corp.	1,294,073	8.0
4	Rocky Mountain Generation Cooperative	1,097,872	6.8
5	Black Hills Power & Light	1,038,330	6.4
<b>Total</b>		<b>11,263,730</b>	<b>69.5</b>

## LOVELAND AREA PROJECTS

### Purchased Power

	FY 2005		FY 2004	
	Energy (MWh)	Costs (\$000)	Energy (MWh)	Costs (\$000)
<b>NonWestern suppliers</b>				
Aquila, Inc.	8,090	357	5,375	169
Basin Electric Power Cooperative	66,000	2,112	66,000	2,112
Black Hills Power & Light	8,840	451	22,804	969
Cargill-Alliant, LLC	105,634	4,978	404,084	17,060
Colorado Springs Utilities	9,083	590	4,622	244
Constellation Power Source	1,197	59	0	0
Idaho Power Company	0	0	50	2
Morgan Stanley Capital Group, Inc.	27	2	0	0
Municipal Energy Agency of Nebraska	33,599	1,565	2,213	98
Nebraska Public Power District	38,607	2,387	46,361	2,106
Omaha Public Power District	0	0	75	2
PacifiCorp	54,473	3,334	141,961	8,302
Platte River Power Authority	281,091	12,143	255,144	9,749
PowerEx Corp.	8,067	599	4,157	251
PPL Energy Plus, LLC	0	0	30	1
PP&L Montana, LLC	600	31	992	41
PPM Energy, Inc.	242	13	0	0
Rainbow Energy Marketing Corp.	34,090	1,858	830	43
Rocky Mountain Generation Cooperative	69,690	3,375	68,694	2,332
Rolling Hills Electric Cooperative	38	7	65	11
Sunflower Electric Power Corporation, Inc.	32	1	5,919	178
The Energy Authority Inc.	0	0	11	0
Trans Alta Energy Marketing, Inc.	0	0	120	7
Tri-State Generation and Transmission Association, Inc.	5,112	201	4,383	140
Xcel Energy	290,914	16,127	178,864	10,384
Westar Energy	7,593	380	0	0
<b>Subtotal Non-Western suppliers</b>	<b>1,023,019</b>	<b>50,570</b>	<b>1,212,754</b>	<b>54,201</b>
<b>Western suppliers</b>				
Salt Lake City Area Integrated Projects <sup>1</sup>	26,235	1,582	22,023	960
Pick Sloan—Eastern Division	280	11	4,300	177
<b>Subtotal Western suppliers</b>	<b>26,515</b>	<b>1,593</b>	<b>26,323</b>	<b>1,137</b>
<b>Total purchased power</b>	<b>1,049,534</b>	<b>52,530</b>	<b>1,239,077</b>	<b>54,967</b>

<sup>1</sup> Excludes interproject interchange with SLCA/IP.

## LOVELAND AREA PROJECTS

### Purchased Transmission

	FY 2005 <sup>1</sup> Costs (\$000)	FY 2004 <sup>1</sup> Costs (\$000)
<b>NonWestern suppliers</b>		
Basin Electric Power Cooperative	0	4
High Plains Power Inc.	15	15
Municipal Energy Agency of Nebraska	8	0
Nebraska Public Power District	406	407
PacifiCorp	185	195
Sunflower Electric Power Cooperative	1,622	1,635
Tri-State Generation and Transmission Association, Inc.	522	1,700
Xcel Energy	3,924	4,055
<b>Subtotal Non-Western Suppliers</b>	<b>6,682</b>	<b>8,011</b>
<b>Total purchased transmission</b>	<b>6,682</b>	<b>8,011</b>

<sup>1</sup> Includes transmission costs for energy and capacity.

### Purchased Ancillary Services

	FY 2005 Costs (\$000)	FY 2004 Costs (\$000)
<b>NonWestern suppliers</b>		
Basin Electric Power Cooperative	1	0
Platte River Power Authority	1	0
Tri-State Generation and Transmission Association, Inc.	2	0
Xcel Energy	9	0
<b>Subtotal Non-Western Suppliers</b>	<b>13</b>	<b>0</b>
<b>Western suppliers</b>		
Salt Lake City Area/Integrated Projects	2	14
<b>Subtotal Western suppliers</b>	<b>2</b>	<b>14</b>
<b>Total purchased ancillary services</b>	<b>15</b>	<b>14</b>

## LOVELAND AREA PROJECTS

### Customers by State and Customer Category

State/Category	2005				2004			
	Firm only	Firm & nonfirm	Nonfirm only	Total	Firm only	Firm & nonfirm	Nonfirm only	Total
<b>Colorado</b>								
Municipalities	9	2	0	11	8	2	0	10
Cooperatives	1	1	1	3	1	1	0	2
Federal agencies	4	0	0	4	4	0	0	4
Investor-owned utilities	0	0	1	1	0	0	1	1
<b>Florida</b>								
Power marketers	0	0	1	1	0	0	1	1
<b>Idaho</b>								
Investor-owned utilities	0	0	0	0	0	0	1	1
<b>Kansas</b>								
Municipalities	2	0	0	2	2	0	0	2
Cooperatives	6	0	0	6	1	0	0	1
Native American tribes	4	0	0	4	0	0	0	0
<b>Maryland</b>								
Power marketers	0	0	1	1	0	0	1	1
<b>Minnesota</b>								
Power marketers	0	0	1	1	0	0	1	1
<b>Missouri</b>								
Investor-owned utilities	0	0	1	1	0	0	1	1
<b>Montana</b>								
Investor-owned utilities	0	0	1	1	0	0	1	1
<b>Nebraska</b>								
Municipalities	4	1	0	5	4	1	0	5
Public utility districts	1	0	0	1	1	0	0	1
<b>North Dakota</b>								
Cooperatives	0	1	0	1	0	1	0	1
Power marketers	0	0	1	1	0	0	1	1
<b>Oregon</b>								
Investor-owned utilities	0	0	1	1	0	0	1	1
<b>South Dakota</b>								
Investor-owned utilities	0	0	1	1	0	0	1	1
<b>Texas</b>								
Power marketers	0	0	1	1	0	0	0	0
<b>Utah</b>								
Municipalities	0	0	0	0	0	0	1	1
<b>Wyoming</b>								
Municipalities	2	0	0	2	2	0	0	2
Cooperatives	1	0	0	1	1	0	0	1
Federal agencies	1	0	0	1	1	0	0	1
Native American tribes	1	0	0	1	0	0	0	0
Irrigation districts	2	0	0	2	2	0	0	2
<b>Canada</b>								
Power marketers	0	0	2	2	0	0	2	2
<b>Subtotal</b>	<b>38</b>	<b>5</b>	<b>13</b>	<b>56</b>	<b>27</b>	<b>5</b>	<b>13</b>	<b>45</b>
Project use sales	13	0	0	13	13	0	0	13
<b>Subtotal</b>	<b>51</b>	<b>5</b>	<b>13</b>	<b>69</b>	<b>40</b>	<b>5</b>	<b>13</b>	<b>58</b>
Interproject sales	0	0	1	1	0	0	2	2
<b>Total</b>	<b>51</b>	<b>5</b>	<b>14</b>	<b>70</b>	<b>40</b>	<b>5</b>	<b>15</b>	<b>60</b>

## LOVELAND AREA PROJECTS

### Summary by state

State/Category	2005				2004			
	Firm only	Firm & nonfirm	Nonfirm only	Total	Firm only	Firm & nonfirm	Nonfirm only	Total
Colorado	14	3	2	19	13	3	1	17
Florida	0	0	1	1	0	0	1	1
Idaho	0	0	0	0	0	0	1	1
Kansas	12	0	0	12	3	0	0	3
Maryland	0	0	1	1	0	0	1	1
Minnesota	0	0	1	1	0	0	1	1
Missouri	0	0	1	1	0	0	1	1
Montana	0	0	1	1	0	0	1	1
Nebraska	5	1	0	6	5	1	0	6
North Dakota	0	1	1	2	0	1	1	2
Oregon	0	0	1	1	0	0	1	1
South Dakota	0	0	1	1	0	0	1	1
Texas	0	0	1	1	0	0	0	0
Utah	0	0	0	0	0	0	1	1
Wyoming	7	0	0	7	6	0	0	6
Canada	0	0	2	2	0	0	2	2
<b>Total</b>	<b>38</b>	<b>5</b>	<b>13</b>	<b>56</b>	<b>27</b>	<b>5</b>	<b>13</b>	<b>45</b>

### Summary by customer category

State/Category	2005				2004			
	Firm only	Firm & nonfirm	Nonfirm only	Total	Firm only	Firm & nonfirm	Nonfirm only	Total
Municipalities	17	3	0	20	16	3	1	20
Cooperatives	8	2	1	11	3	2	1	6
Federal agencies	5	0	0	5	5	0	0	5
Public utility districts	1	0	0	1	1	0	0	1
Native American tribes	5	0	0	5	0	0	0	0
Irrigation districts	2	0	0	2	2	0	0	2
Investor-owned utilities	0	0	5	5	0	0	6	6
Power marketers	0	0	7	7	0	0	5	5
<b>Subtotal</b>	<b>38</b>	<b>5</b>	<b>13</b>	<b>56</b>	<b>27</b>	<b>5</b>	<b>13</b>	<b>45</b>
Project use sales	13	0	0	13	13	0	0	13
<b>Subtotal</b>	<b>51</b>	<b>5</b>	<b>13</b>	<b>69</b>	<b>40</b>	<b>5</b>	<b>13</b>	<b>58</b>
Interproject sales	0	0	1	1	0	0	2	2
<b>Total Western</b>	<b>51</b>	<b>5</b>	<b>14</b>	<b>70</b>	<b>40</b>	<b>5</b>	<b>15</b>	<b>60</b>

### Transmission Revenues

Transmission service	FY 2005 Revenue (\$)	FY 2004 Revenue (\$)
Firm transmission service	916,346	1,244,782
Firm network transmission service	15,207,022	15,155,177
Long-term firm point-to-point transmission service	5,701,179	6,290,055
Nonfirm point-to-point transmission service	2,699,716	2,994,488
Short-term firm point-to-point transmission service	662,123	597,640
Transmission losses	7,593,570	1,896,781
Transmission fees	213,470	0
<b>Loveland Area Projects Total</b>	<b>32,993,424</b>	<b>28,178,923</b>

### Energy Imbalance

	FY 2005 (\$)	FY 2004 (\$)
Energy imbalance service revenues <sup>1</sup>	4,746,470	3,261,093
Energy imbalance service expenses	3,823,205	7,530,437
<b>Loveland Area Projects Net Total</b>	<b>923,265</b>	<b>(4,269,344)<sup>2</sup></b>

<sup>1</sup> Revenues to recover the cost of energy purchases due to underdeliveries by customers.

<sup>2</sup> Net expenses were offset by real-time sales.

## LOVELAND AREA PROJECTS

### Ancillary Services Revenues<sup>1</sup>

Ancillary service	FY 2005 Revenue (\$)	FY 2004 Revenue (\$)
Scheduling and dispatch service <sup>2</sup>	511,775	325,558
Reactive supply and voltage control service	261,133	218,087
Regulation and frequency response	1,884,239	1,606,949
Operating reserves - spinning <sup>3</sup>	327,365	319,611
<b>Loveland Area Projects Total</b>	<b>2,984,512</b>	<b>2,470,205</b>

<sup>1</sup> Excludes revenues bundled in delivery of firm electric service.

<sup>2</sup> Represent "control area services" charged to non-transmission customers. Charges to transmission customers are included in transmission revenues.

<sup>3</sup> Revenue from Rocky Mountain Resource Group responses.

### Power Sales and Revenues

Customer	Contract rate of delivery		2005		2004	
	Summer (kW)	Winter (kW)	Energy (MWh)	Revenue (\$)	Energy (MWh)	Revenue (\$)
<b>Municipalities</b>						
<b>Colorado</b>						
Arkansas River Power Authority	28,625	22,486	75,084	1,860,189	77,330	1,843,398
Burlington	1,494	1,082	4,087	97,374	4,210	96,621
Center	217	261	1,167	22,949	1,201	22,555
Colorado Springs Utilities	61,145	57,615	232,578	5,685,042	246,542	5,615,110
Denver Water Board	0	0	0	0	2,946	71,621
Fort Morgan	15,289	15,074	30,150	932,332	31,049	922,319
Frederick	164	161	884	16,685	910	16,464
Holyoke	2,029	1,495	5,586	133,148	5,754	132,092
Platte River Power Authority	30,464	32,140	113,226	2,634,127	115,640	2,560,208
Wray	3,873	1,857	8,237	206,381	8,486	205,669
<b>Subtotal Colorado</b>			<b>470,999</b>	<b>11,588,2278</b>	<b>494,068</b>	<b>11,486,057</b>
<b>Kansas</b>						
Kansas City Board of Public Utilities	4,825	4,828	14,911	360,052	15,354	355,687
Kansas Municipal Energy Agency	27,353	23,109	85,173	1,951,371	81,104	1,777,900
<b>Subtotal Kansas</b>			<b>100,085</b>	<b>2,311,423</b>	<b>96,458</b>	<b>2,133,587</b>
<b>Nebraska</b>						
Lodgepole	76	84	251	6,009	258	5,934
Mullen	109	125	618	11,791	636	11,600
Municipal Energy Agency of Nebraska	46,591	44,835	143,307	3,554,636	137,700	3,211,182
Sidney	2,718	2,377	5,090	156,811	5,242	155,377
Wauneta	984	966	3,063	73,339	3,154	72,486
<b>Subtotal Nebraska</b>			<b>152,3289</b>	<b>3,802,586</b>	<b>146,990</b>	<b>3,456,579</b>
<b>Utah</b>						
Utah Municipal Power Agency	0	0	0	0	56	1,470
<b>Subtotal Utah</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>56</b>	<b>1,470</b>
<b>Wyoming</b>						
Torrington	3,206	3,393	12,214	270,284	12,575	266,532
Wyoming Municipal Power Agency	14,724	16,064	38,478	1,039,860	36,674	955,137
<b>Subtotal Wyoming</b>			<b>50,692</b>	<b>1,310,144</b>	<b>49,249</b>	<b>1,221,669</b>
<b>Total Municipalities</b>			<b>774,1045</b>	<b>19,012,381</b>	<b>786,821</b>	<b>18,299,362</b>
<b>Rural electric cooperatives</b>						
<b>Colorado</b>						
Intermountain Rural Electric Association	18,336	20,762	81,482	1,710,317	83,893	1,686,088
Rocky Mountain Generation Cooperative	0	0	14,891	1,097,872	0	0
Tri-State Generation & Transmission Assn.	355,036	287,225	922,987	23,819,643	952,385	23,402,025
<b>Subtotal Colorado</b>			<b>1,019,360</b>	<b>26,627,832</b>	<b>1,036,278</b>	<b>25,088,113</b>
<b>Kansas</b>						
Doniphan Electric Coop Association	286	264	845	20,465	0	0
Kansas Electric Power Cooperative, Inc.	13,955	13,202	88,782	1,572,579	90,056	1,521,866
Kaw Valley Electric	2,040	1,685	5,747	138,857	0	0
Midwest Energy, Inc.	2,316	1,947	6,574	158,874	0	0
Nehama-Marshall Electric Coop Association	701	667	2,103	50,904	0	0
Sunflower Electric Power Corp.	5,366	4,557	15,299	369,773	0	0
<b>Subtotal Kansas</b>			<b>119,350</b>	<b>2,311,452</b>	<b>90,056</b>	<b>1,521,866</b>

## LOVELAND AREA PROJECTS

### Power Sales and Revenues, continued

Customer	Contract rate of delivery		2005		2004	
	Summer (kW)	Winter (kW)	Energy (MWh)	Revenue (\$)	Energy (MWh)	Revenue (\$)
<b>North Dakota</b>						
Basin Electric Power Cooperative	24,002	24,489	116,882	2,936,483	117,550	2,591,072
<b>Subtotal North Dakota</b>			<b>116,882</b>	<b>2,936,483</b>	<b>117,550</b>	<b>2,591,072</b>
<b>Wyoming</b>						
Willwood Light & Power Company	89	113	452	9,204	465	9,045
<b>Subtotal Wyoming</b>			<b>452</b>	<b>9,204</b>	<b>465</b>	<b>9,045</b>
<b>Total cooperatives</b>			<b>1,256,044</b>	<b>31,884,9701</b>	<b>1,244,349</b>	<b>29,210,096</b>
<b>Federal agencies</b>						
<b>Colorado</b>						
U.S. Air Force Academy <sup>1</sup>	1,692	1,760	11,024	196,772	11,346	193,834
Arapahoe and Roosevelt National Forests	214	299	5	56	522	8,548
Fort Carson	1,951	1,815	5,793	140,173		
Rocky Flats - DOE	0	0	0	0	20,389	350,083
Peterson Air Force Base	4,247	4,237	27,738	491,308	28,465	483,092
<b>Subtotal Colorado</b>			<b>44,5560</b>	<b>828,309</b>	<b>60,722</b>	<b>1,035,557</b>
<b>Wyoming</b>						
F.E. Warren Air Force Base <sup>2</sup>	3,185	3,187	16,346	315,386	16,830	311,033
<b>Subtotal Wyoming</b>			<b>16,346</b>	<b>315,386</b>	<b>16,830</b>	<b>311,033</b>
<b>Total Federal agencies</b>			<b>60,906</b>	<b>1,143,695</b>	<b>77,552</b>	<b>1,346,590</b>
<b>Public utility districts</b>						
<b>Nebraska</b>						
Nebraska Public Power District	3,867	2,200	13,738	278,466	14,149	276,325
<b>Subtotal Nebraska</b>			<b>13,738</b>	<b>278,466</b>	<b>14,149</b>	<b>276,325</b>
<b>Total public utility districts</b>	<b>681,169</b>	<b>596,361</b>	<b>13,738</b>	<b>278,466</b>	<b>14,149</b>	<b>276,325</b>
<b>Native American tribes</b>						
<b>Kansas</b>						
Iowa Tribe of Kansas & Nebraska	1,232	1,180	3,709	89,761	0	0
Kickapoo Tribe in Kansas	1,713	1,592	5,084	123,020	0	0
Prarie Band Potawatomi Nation	3,435	3,056	9,995	241,731	0	0
Sac & Fox Nation of Missouri	1,669	1,570	3,371	81,585	0	0
<b>Subtotal Kansas</b>			<b>22,159</b>	<b>536,0987</b>	<b>0</b>	<b>0</b>
<b>Wyoming</b>						
Wind River Reservation	1,391	1,350	4,211	101,963	0	0
<b>Subtotal Wyoming</b>			<b>4,211</b>	<b>101,963</b>	<b>0</b>	<b>0</b>
<b>Total Native American tribes</b>			<b>26,370</b>	<b>638,060</b>	<b>0</b>	<b>0</b>
<b>Irrigation districts</b>						
<b>Wyoming</b>						
Goshen Irrigation District	25	25	11	235	10	229
Midvale Irrigation District	57	81	176	4,236	176	3,943
<b>Subtotal Wyoming</b>			<b>187</b>	<b>4,472</b>	<b>186</b>	<b>4,172</b>
<b>Total irrigation districts</b>			<b>187</b>	<b>4,472</b>	<b>186</b>	<b>4,172</b>
<b>Investor-owned utilities</b>						
<b>Colorado</b>						
Xcel Energy	0	0	112,890	3,739,703	136,583	4,254,747
<b>Subtotal Colorado</b>			<b>112,890</b>	<b>3,739,703</b>	<b>136,583</b>	<b>4,254,747</b>
<b>Idaho</b>						
Idaho Power Company	0	0	0	0	194	4,278
<b>Subtotal Idaho</b>			<b>0</b>	<b>0</b>	<b>194</b>	<b>4,278</b>
<b>Missouri</b>						
Aquila Inc.	0	0	3,310	124,543	4,289	151,991
<b>Subtotal Missouri</b>			<b>3,310</b>	<b>124,543</b>	<b>4,289</b>	<b>151,991</b>
<b>Montana</b>						
PP&L Montana, LLC	0	0	8,110	217,460	14,019	386,157
<b>Subtotal Montana</b>			<b>8,110</b>	<b>217,460</b>	<b>14,019</b>	<b>386,157</b>
<b>Oregon</b>						
PacificCorp	0	0	23,729	772,384	67,515	1,945,309
<b>Subtotal Oregon</b>			<b>23,729</b>	<b>772,384</b>	<b>67,515</b>	<b>1,945,309</b>

## LOVELAND AREA PROJECTS

### Power Sales and Revenues, continued

Customer	Contract rate of delivery		2005		2004	
	Summer (kW)	Winter (kW)	Energy (MWh)	Revenue (\$)	Energy (MWh)	Revenue (\$)
<b>South Dakota</b>						
Black Hills Power & Light	0	0	29,150	1,038,330	26,557	803,369
<b>Subtotal South Dakota</b>	<b>0</b>	<b>0</b>	<b>29,150</b>	<b>1,038,330</b>	<b>26,557</b>	<b>803,369</b>
<b>Total investor-owned utilities</b>	<b>0</b>	<b>0</b>	<b>177,189</b>	<b>5,892,420</b>	<b>249,157</b>	<b>7,545,851</b>
<b>Power marketers</b>						
<b>Florida</b>						
The Energy Authority	0	0	1,484	85,894	120	326
<b>Subtotal Florida</b>			<b>1,484</b>	<b>85,894</b>	<b>120</b>	<b>326</b>
<b>Maryland</b>						
Constellation Power Source	0	0	30	1,418	20	625
<b>Subtotal Maryland</b>			<b>30</b>	<b>1,418</b>	<b>20</b>	<b>625</b>
<b>Minnesota</b>						
Cargill-Alliant, LLC	0	0	98,473	4,093,752	30,235	1,049,622
<b>Subtotal Minnesota</b>			<b>98,473</b>	<b>4,093,752</b>	<b>30,235</b>	<b>1,049,622</b>
<b>North Dakota</b>						
Rainbow Energy Marketing Corp.	0	0	36,233	1,294,073	11,435	420,460
<b>Subtotal North Dakota</b>			<b>36,233</b>	<b>1,294,073</b>	<b>11,435</b>	<b>420,460</b>
<b>Texas</b>						
Calpine Energy Services	0	0	5	121	0	0
<b>Subtotal Texas</b>			<b>5</b>	<b>121</b>	<b>0</b>	<b>0</b>
<b>Canada</b>						
PowerEx Corp.	0	0	43,827	568,497	42,004	483,900
TransAlta Energy Marketing, Inc.	0	0	619	17,933	145	5,006
<b>Subtotal Canada</b>			<b>44,446</b>	<b>586,430</b>	<b>42,149</b>	<b>488,906</b>
<b>Total Power marketers</b>			<b>180,671</b>	<b>6,061,688</b>	<b>83,959</b>	<b>1,959,939</b>
<b>Loveland Area Projects subtotal</b>			<b>2,489,210</b>	<b>64,916,152</b>	<b>2,456,173</b>	<b>58,642,335</b>
Project use sales			10,638	27,722	10,737	27,622
<b>Interproject</b>						
<b>Montana</b>						
Pick-Sloan—Eastern Division			0	0	55	2,246
<b>Subtotal Montana</b>			<b>0</b>	<b>0</b>	<b>55</b>	<b>2,246</b>
<b>Utah</b>						
Salt Lake City Area/Integrated Projects <sup>1</sup>			384,327	18,147,886	250,392	\$ 7,463,568
<b>Subtotal Utah</b>			<b>384,327</b>	<b>18,147,886</b>	<b>250,392</b>	<b>7,463,568</b>
<b>Total interproject</b>			<b>384,327</b>	<b>18,147,886</b>	<b>250,447</b>	<b>7,465,814</b>
<b>Loveland Area Projects Total</b>			<b>2,884,175</b>	<b>83,091,760</b>	<b>2,717,357</b>	<b>66,135,770</b>

<sup>1</sup> FY 05 sales to Salt Lake City Area/Integrated Projects include 48,043 MWh and \$2,116,928 for Western Replacement Power sales. Also, LAP recorded \$455,783 from SLCA/IP revenues for nonfirm transmission.

## Status of Repayment (Dollars in thousands)

	Cumulative 2004	Adjustment <sup>1</sup>	Annual 2005	Cumulative 2005
<b>Revenue:</b>				
Gross operating revenue	234,444	0	17,740	252,184
Income transfers (net)	0	(130) <sup>2</sup>	130	0
<b>Total operating revenue</b>	<b>234,444</b>	<b>(130)</b>	<b>17,870</b>	<b>252,184</b>
<b>Expenses:</b>				
O & M and other	65,007	0	4,847	69,854
Purchase power and other	54,375	0	5,649	60,024
Interest				
Federally financed	103,999	152	4,391	108,542
Total Interest	103,999	152	4,391	108,542
<b>Total expense</b>	<b>223,381</b>	<b>152</b>	<b>14,887</b>	<b>238,420</b>
(Deficit)/surplus revenue	(579)	(282)	861	0
<b>Investment:</b>				
Federally financed power	152,509	0	1,451	153,960
<b>Total investment</b>	<b>152,509</b>	<b>0</b>	<b>1,451</b>	<b>153,960</b>
<b>Investment repaid:</b>				
Federally financed power	11,642	0	2,122	13,764
<b>Total investment repaid</b>	<b>11,642</b>	<b>0</b>	<b>2,122</b>	<b>13,764</b>
<b>Investment unpaid:</b>				
Federally financed power	140,867	0	(671)	140,196
<b>Total investment unpaid</b>	<b>140,867</b>	<b>0</b>	<b>(671)</b>	<b>140,196</b>
<b>Percent of investment repaid to date:</b>				
Federal	7.63%			8.94%

<sup>1</sup> Adjustments reflect the FY 2004 crosswalk except where otherwise noted.

<sup>2</sup> Adjustment that will be reflected on the FY 2005 crosswalk. To be adjusted in FY 2006.

## Balance Sheets

As of September 30, 2005 and 2004 (in thousands)

	2005			2004		
	Western	Reclamation	Total	Western	Reclamation	Total
<b>Assets</b>						
<b>Utility plant:</b>						
Completed plant	\$ 2,913	\$ 149,190	\$ 152,103	\$ 2,913	\$ 149,124	\$ 152,037
Accumulated depreciation	(1,716)	(36,033)	(37,749)	(1,655)	(37,028)	(38,683)
Net completed plant	1,197	113,157	114,354	1,258	112,096	113,354
Construction work-in-progress	0	1,998	1,998	0	593	593
Net utility plant	1,197	115,155	116,352	1,258	112,689	113,947
Cash	1,599	2,295	3,894	1,587	10,084	11,671
Accounts receivable	1,854	0	1,854	1,356	0	1,356
Other assets	452	507	959	431	447	878
<b>Total assets</b>	<b>5,102</b>	<b>117,957</b>	<b>123,059</b>	<b>4,632</b>	<b>123,220</b>	<b>127,852</b>
<b>Federal investment &amp; liabilities</b>						
<b>Federal investment:</b>						
Congressional appropriations	51,336	178,345	229,681	45,734	178,652	224,386
Interest on Federal investment	2,363	140,261	142,624	2,281	135,912	138,193
Transfer of property & services, net	154,791	(161,325)	(6,534)	148,913	(153,293)	(4,380)
Gross Federal investment	208,490	157,281	365,771	196,928	161,271	358,199
Funds returned to U.S. Treasury	(216,233)	0	(216,233)	(202,739)	0	(202,739)
Net outstanding Federal investment	(7,743)	157,281	149,538	(5,811)	161,271	155,460
Accumulated net revenues (deficit)	11,961	(40,432)	(28,471)	9,548	(38,799)	(29,251)
<b>Total Federal investment</b>	<b>4,218</b>	<b>116,849</b>	<b>121,067</b>	<b>3,737</b>	<b>122,472</b>	<b>126,209</b>
<b>Liabilities:</b>						
Accounts payable	426	207	633	434	49	483
Other liabilities	458	901	1,359	461	699	1,160
Total liabilities	884	1,108	1,992	895	748	1,643
<b>Total Federal investment &amp; liabilities</b>	<b>\$ 5,102</b>	<b>\$ 117,957</b>	<b>\$ 123,059</b>	<b>\$ 4,632</b>	<b>\$ 123,220</b>	<b>\$ 127,852</b>

## Statements of Revenues and Expenses, and Accumulated Net Revenues

For the Years Ended September 30, 2005 and 2004 (in thousands)

	2005			2004		
	Western	Reclamation	Total	Western	Reclamation	Total
<b>Operating revenues:</b>						
Sales of electric power	\$ 17,070	\$ 0	\$ 17,070	\$ 13,644	\$ 0	\$ 13,644
Other operating income	670	0	670	1,011	0	1,011
Gross operating revenues	17,740	0	17,740	14,655	0	14,655
Income transfers, net	(8,903)	9,034	131	(8,483)	8,323	(160)
<b>Total operating revenues</b>	<b>8,837</b>	<b>9,034</b>	<b>17,871</b>	<b>6,172</b>	<b>8,323</b>	<b>14,495</b>
<b>Operating expenses:</b>						
Operation and maintenance	476	4,216	4,692	505	4,254	4,759
Administration and general	157	0	157	155	0	155
Purchased power	1,659	0	1,659	1,340	0	1,340
Purchased transmission services	3,989	0	3,989	4,580	0	4,580
Depreciation	61	2,142	2,203	62	2,047	2,109
<b>Total operating expenses</b>	<b>6,342</b>	<b>6,358</b>	<b>12,700</b>	<b>6,642</b>	<b>6,301</b>	<b>12,943</b>
<b>Net operating revenues (deficit)</b>	<b>2,495</b>	<b>2,676</b>	<b>5,171</b>	<b>(470)</b>	<b>2,022</b>	<b>1,552</b>
<b>Interest expenses:</b>						
Interest on Federal investment	82	4,350	4,432	80	4,562	4,642
Allowance for funds used during construction	0	(41)	(41)	0	(90)	(90)
<b>Net interest expenses</b>	<b>82</b>	<b>4,309</b>	<b>4,391</b>	<b>80</b>	<b>4,472</b>	<b>4,552</b>
<b>Net revenues (deficit)</b>	<b>2,413</b>	<b>(1,633)</b>	<b>780</b>	<b>(550)</b>	<b>(2,450)</b>	<b>(3,000)</b>
<b>Accumulated net revenues (deficit):</b>						
<b>Balance, beginning of year</b>	<b>9,548</b>	<b>(38,799)</b>	<b>(29,251)</b>	<b>10,098</b>	<b>(36,349)</b>	<b>(26,251)</b>
<b>Balance, end of year</b>	<b>\$ 11,961</b>	<b>\$ (40,432)</b>	<b>\$ (28,471)</b>	<b>\$ 9,548</b>	<b>\$ (38,799)</b>	<b>\$ (29,251)</b>