

GUAM POWER AUTHORITY
Balance sheets

ASSETS	Unaudited February 2008	Unaudited September 2007	Change from Sept 30 2007
Utility plant at cost:			
Electric plant in service	\$ 823,764,397	\$ 819,361,627	\$ 4,402,770
Construction work in progress	<u>21,631,398</u>	<u>20,562,802</u>	<u>1,068,596</u>
	845,395,795	839,924,429	5,471,366
Less: Accumulated depreciation	<u>(316,562,352)</u>	<u>(305,851,417)</u>	<u>(10,710,935)</u>
Total utility plant at cost	<u>528,833,443</u>	<u>534,073,012</u>	<u>(5,239,569)</u>
Restricted funds			
Reserve funds held by trustee			
Revenue bonds	27,488,253	27,488,252	1
Self insurance fund	<u>1,476,851</u>	<u>1,292,936</u>	<u>183,915</u>
Total restricted funds	<u>28,965,104</u>	<u>28,781,188</u>	<u>183,916</u>
Funds identified for special purposes			
Interest and principal funds			
held by Trustee for debt repayment	11,450,318	18,696,315	(7,245,997)
Bond Funds held by Trustee	20,756,989	19,343,598	1,413,391
Reserve funds for LC (Fuel/others)	25,098	25,087	11
Reserve funds held by GPA			
Bond indenture funds held by GPA	<u>14,043,401</u>	<u>25,065,313</u>	<u>(11,021,912)</u>
Total cash reserves	<u>46,275,806</u>	<u>63,130,313</u>	<u>(16,854,507)</u>
Accounts receivable (net of allowance)	47,184,956	55,124,798	(7,939,842)
Materials and supplies	12,559,636	12,421,030	138,606
Fuel oil	47,726,840	33,583,554	14,143,286
Deferred fuel cost - current portion	5,041,383	0	5,041,383
Prepaid expenses	<u>1,043,909</u>	<u>791,208</u>	<u>252,701</u>
Total current assets	<u>159,832,530</u>	<u>165,050,903</u>	<u>(5,218,373)</u>
Other assets			
Long term notes receivable	21,358,674	21,358,674	(0)
Long term accounts receivable	4,276,352	4,276,352	0
Regulatory asset	3,970,992	3,970,992	0
Unamortized costs	6,259,506	6,411,618	(152,112)
Non current deferred fuel costs	2,141,464	2,141,464	(0)
Deferred asset	3,598,675	3,665,072	(66,397)
Other assets	<u>1,790,135</u>	<u>1,823,358</u>	<u>(33,223)</u>
Total other assets	<u>43,395,798</u>	<u>43,647,531</u>	<u>(251,733)</u>
Total Assets	<u>\$ 761,026,875</u>	<u>\$ 771,552,634</u>	<u>\$ (10,525,759)</u>

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<u>LIABILITIES AND NET ASSETS</u>	<u>Unaudited February 2008</u>	<u>Unaudited September 2007</u>	<u>Change from Sept 30 2007</u>
Current liabilities			
Current portion, debt			
Revenue bonds, Series A	\$ 7,080,000	\$ 6,770,000	\$ 310,000
Accrued bond interest	8,854,403	10,570,649	(1,716,246)
Current obligation under capital lease	5,589,841	5,589,841	0
Accounts payable			
Operations & fuel oil	32,162,390	29,354,799	2,807,591
Accrued payroll & benefits	1,158,499	1,123,991	34,508
Current portion of employees' annual leave	300,269	185,982	114,287
Bid bond and customers' deposits	4,680,618	4,480,789	199,829
Interest payable on customers' deposit	701,515	701,718	(203)
Deferred credit - self insurance	1,392,925	1,337,850	55,075
Current portion, Deferred credit repurchase agreement	584,018	584,018	0
TCP- short term notes payable	<u>20,000,000</u>	<u>20,000,000</u>	<u>0</u>
Total current liabilities	<u>82,504,478</u>	<u>80,699,637</u>	<u>1,804,841</u>
Deferred credit - repurchase agreement (less current portion)	12,605,047	12,848,387	(243,340)
Employee annual leave, less current portion	2,065,107	2,065,107	0
Unfunded retirement deferred contributions	9,105,058	9,105,058	0
Obligation under capital lease (less current portion)	130,450,912	132,985,820	(2,534,908)
Long term debt, less current maturities	368,240,151	374,825,390	(6,585,239)
Total liabilities	<u>604,970,753</u>	<u>612,529,399</u>	<u>(7,558,646)</u>
Commitments and contingencies			
Net assets			
Invested in capital assets, net of related debt	18,168,164	14,648,492	3,519,672
Restricted	47,724,408	52,815,772	(5,091,364)
Unrestricted	<u>90,163,550</u>	<u>91,558,969</u>	<u>(1,395,419)</u>
Total net assets	<u>156,056,122</u>	<u>159,023,233</u>	<u>(2,967,111)</u>
Total liabilities and net assets	<u>\$ 761,026,875</u>	<u>\$ 771,552,634</u>	<u>\$ (10,525,759)</u>

GUAM POWER AUTHORITY
Statement of Revenues, Expenses and Changes in Net Assets

	February 29		% of change Inc (dec)	Five Months Ending February 29		% of change Inc (dec)
	Unaudited 2008	Unaudited 2007		Unaudited 2008	Unaudited 2007	
Revenues						
Sales of electricity	\$ 26,003,201	\$ 22,466,726	16	\$ 138,955,374	\$ 121,318,787	15
Miscellaneous	<u>802,398</u>	<u>185,207</u>	333	<u>1,358,830</u>	<u>927,540</u>	46
Total revenues	26,805,599	22,651,933	18	140,314,204	122,246,327	61
Operating and maintenance expenses						
Production fuel	15,861,551	12,537,689	27	84,888,332	67,986,260	25
Other production	<u>1,937,286</u>	<u>1,240,300</u>	56	<u>7,691,863</u>	<u>7,190,121</u>	7
	<u>17,798,837</u>	<u>13,777,989</u>	29	<u>92,580,195</u>	<u>75,176,381</u>	23
Depreciation	2,229,430	2,201,991	1	11,147,012	11,057,873	1
Energy conversion cost	1,615,495	1,578,227	2	7,887,567	7,542,012	5
Transmission & distribution	650,225	451,209	44	3,370,360	3,410,043	(1)
Customer accounting	288,676	219,497	32	1,480,242	1,187,389	25
Administrative & general	<u>1,349,760</u>	<u>1,724,867</u>	(22)	<u>9,507,292</u>	<u>9,071,771</u>	5
Total operating and maintenance expenses	<u>23,932,423</u>	<u>19,953,780</u>	20	<u>125,972,667</u>	<u>107,445,469</u>	17
Operating income	<u>2,873,176</u>	<u>2,698,153</u>	6	<u>14,341,537</u>	<u>14,800,858</u>	(3)
Other income (expenses)						
Interest income	273,908	354,056	(23)	1,522,100	1,594,273	(5)
Interest expense	(3,165,465)	(3,120,025)	1	(16,214,285)	(16,149,633)	0
Allowance for funds used during construction	72,016	52,116	38	276,930	225,444	23
COLA/Supplemental annuities	(1,247,542)	0	N/A	(2,010,494)	(1,037,650)	N/A
Inventory losses	(169,636)	0	N/A	(169,636)	0	N/A
Gain on regulatory asset	0	0		0	0	
Losses due to typhoon/earthquake	0	0	N/A	0	737,416	0
Other	<u>(140,638)</u>	<u>(136,346)</u>	3	<u>(713,270)</u>	<u>(681,730)</u>	5
Total other income (expenses)	<u>(4,377,357)</u>	<u>(2,850,199)</u>	54	<u>(17,308,655)</u>	<u>(15,311,880)</u>	13
Income (loss) before capital contributions	<u>(1,504,181)</u>	<u>(152,046)</u>	889	<u>(2,967,118)</u>	<u>(511,022)</u>	481
Capital contributions	<u>0</u>	<u>0</u>	N/A	<u>0</u>	<u>679,861</u>	N/A
Increase (decrease) in net assets	<u>(1,504,181)</u>	<u>(152,046)</u>	889	<u>(2,967,118)</u>	<u>168,839</u>	<u>(1,857)</u>
Total net assets at beginning of period	<u>157,560,296</u>	<u>150,426,577</u>	N/A	<u>159,023,233</u>	<u>150,105,692</u>	6
Total net assets at end of period	<u>\$ 156,056,115</u>	<u>\$ 150,274,531</u>	4	<u>\$ 156,056,115</u>	<u>\$ 150,274,531</u>	4