

LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
October 31, 2015

CONSOLIDATED

We hereby certify that the entries in this report are in accordance with the accounts and other records of Lower Valley Energy, Inc. and reflect the status of the Cooperative to the best of our knowledge and belief.



 SIGNATURE OF CHIEF FINANCIAL OFFICER

November 23, 2015
 DATE



 SIGNATURE OF PRESIDENT AND CEO

November 23, 2015
 DATE

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			
	Electric	Combined Gas	Consolidated	Budget
1 Operating Revenue	\$ 33,827,827	\$ 6,896,222	\$ 40,724,050	\$ 43,031,642
2 Power Production Expense	92,987	-	92,987	120,559
3 Cost of Purchased Power/Gas Sold	16,184,096	2,355,473	18,539,569	20,512,457
4 Transmission Operation & Maintenance	551,666	175,418	727,084	630,251
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	2,403,009	220,816	2,623,824	3,186,189
7 Distribution Maintenance Expense	1,087,475	171,656	1,259,131	1,141,858
8 Consumer Accounts Expense	617,075	81,798	698,873	740,808
9 Customer Service and Informational Expense	213,107	19,275	232,381	408,289
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	1,616,780	312,271	1,929,051	1,943,323
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 22,766,196	\$ 3,336,705	\$ 26,102,900	\$ 28,683,733
13 Depreciation and Amortization Expense	3,967,420	1,056,242	5,023,663	5,181,650
14 Tax Expense-Property	388,820	182,260	571,080	586,400
15 Tax Expense-Other	31,122	8,534	39,656	43,100
16 Interest on Long-Term Debt	4,392,452	1,170,161	5,562,612	5,630,691
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	13,762	36,575	13,290	50,000
19 Other Deductions	(149,122)	-	(149,122)	(149,100)
20 Total Cost of Electric Service (16 thru 23)	\$ 31,410,649	\$ 5,790,477	\$ 37,164,079	\$ 40,026,474
21 Patronage Capital & Operating Margins (3 minus 24)	\$ 2,417,178	\$ 1,105,745	\$ 3,559,971	\$ 3,005,168
22 Non Operating Margins-Interest ¹	105,026	-	67,979	25,000
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	-	1,355	1,355	10,000
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	478,052	112,272	590,324	345,000
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 3,000,256	\$ 1,219,372	\$ 4,219,628	\$ 3,385,168

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE			
	Electric	Combined Gas	Consolidated	Last Year
1 New Services Connected	361	169	530	327
2 Services Retired	385	183	568	134
3 Total Services in Place	27,078	4,110	31,188	31,133
4 Idle Services (Excluding Seasonal)	198	31	229	268
5 Miles Transmission	235	53	288	285
6 Miles Distribution - Overhead	936	-	936	938
7 Miles Distribution - Underground	1,477	229	1,706	1,687
8 Total Miles In Service (5 + 6 + 7)	2,648	282	2,931	2,910

¹ Lines 18 and 22 in the Consolidated column do not include intercompany interest earned or accrued between the Electric and Gas divisions.

LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
October 31, 2015

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1 Operating Revenue	\$ 43,217,594	\$ 40,724,050	\$ 43,031,642	\$ 3,441,016
2 Power Production Expense	70,396	92,987	120,559	9,208
3 Cost of Purchased Power & Gas ¹	20,608,377	18,539,569	20,512,457	1,622,143
4 Transmission Operation & Maintenance	488,432	727,084	630,251	71,222
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	2,928,870	2,623,824	3,186,189	263,742
7 Distribution Maintenance Expense	1,233,662	1,259,131	1,141,858	111,986
8 Consumer Accounts Expense	735,485	698,873	740,808	61,067
9 Customer Service and Informational Expense	320,718	232,381	408,289	(75,472)
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	2,165,978	1,929,051	1,943,323	220,092
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 28,551,919	\$ 26,102,900	\$ 28,683,733	\$ 2,283,989
13 Depreciation and Amortization Expense	4,851,690	5,023,663	5,181,650	508,928
14 Tax Expense-Property	543,385	571,080	586,400	54,760
15 Tax Expense-Other	41,969	39,656	43,100	2,929
16 Interest on Long-Term Debt	6,049,517	5,562,612	5,630,691	516,619
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	104,135	13,290	50,000	745
19 Other Deductions	(149,122)	(149,122)	(149,100)	(14,912)
20 Total Cost of Electric Service (16 thru 23)	\$ 39,993,492	\$ 37,164,079	\$ 40,026,474	\$ 3,353,058
21 Patronage Capital & Operating Margins (3 minus 24)	\$3,224,102	\$3,559,971	\$3,005,168	\$87,957
22 Non Operating Margins-Interest ¹	159,505	67,979	25,000	7,910
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	44,397	1,355	10,000	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	189,379	590,324	345,000	-
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 3,617,383	\$ 4,219,628	\$ 3,385,168	\$ 95,867

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR	THIS YEAR		LAST YEAR	THIS YEAR
	(a)	(b)		(a)	(b)
1. New Services Connected	327	530	5. Miles Trans.	285	288
2. Services Retired	134	568	6. Miles Dist. - OH	938	936
3. Total Services in Place	31,133	31,188	7. Miles Dist. - UG	1,687	1,706
4. Idle Services (Exclude Seasonal)	268	229	8. Total Miles (5 + 6 + 7)	2,910	2,931

¹ Lines 18 and 22 do not include intercompany interest earned or accrued between the Electric and Gas divisions.

LOWER VALLEY ENERGY, INC.
BALANCE SHEET

As of
October 31, 2015

CONSOLIDATED

ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
	Current Year	Prior Year		Current Year	Prior Year
1 Total Utility Plant in Service	\$ 209,368,377	\$ 202,522,331	30 Memberships	\$ -	\$ -
2 Construction Work in Progress	2,374,804	7,064,526	31 Patronage Capital	56,590,434	55,596,730
3 Total Utility Plant	211,743,181	209,586,857	32 Operating Margins-Prior Years	-	-
4 Accum. Provision for Depreciation and Amort	95,484,304	89,494,349	33 Operating Margins-Current Year	3,522,924	3,223,886
5 Net Utility Plant	116,258,877	120,092,508	34 Non Operating Margins	696,705	393,281
6 Nonutility Property - Net	-	-	35 Other Margins and Equities	16,913,384	15,569,392
7 Investments in Subsidiary Companies	-	-	36 Total Margins & Equities	77,723,446	74,783,289
8 Invest. in Assoc. Org. - Patronage Capital	2,320,024	1,384,019	37 Long-Term Debt - RUS (Net)	-	-
9 Invest. in Assoc. Org.-Other-General Funds	6,685	6,685	38 Long-Term Debt - FFB - RUS Guaranteed	-	-
10 Invest. in Assoc. Org.-Other-Nongeneral Funds	2,127,171	2,128,281	39 Long-Term Debt - Other - RUS Guaranteed	-	-
11 Investments in Economic Development Projects	2,093	2,093	40 Long-Term Debt-Other (Net)	49,725,839	52,647,939
12 Other Investments	635,053	710,888	40a Long-Term Debt-BPA Power Prepayment	133,859,983	141,819,623
13 Special Funds	-	-	41 Long-Term Debt - WY SEO (Net)	1,318,965	1,500,000
14 Total Other Property & Investments	5,091,026	4,231,966	42 Payments - Unapplied	-	-
15 Cash-General Funds	286,373	356,327	43 Total Long-Term Debt	184,904,787	195,967,562
16 Cash-Construction Funds-Trustee	-	-	44 Obligations under Capital Leases	-	-
17 Special Deposits	1,210,217	1,267,232	45 Accumulated Operating Provisions	-	-
18 Temporary Investments	4,947,479	-	46 Total Other Noncurrent Liabilities	-	-
19 Notes Receivable-Net	320,028	279,644	47 Notes Payable	-	1,039,252
20 Accounts Receivable-Net Sales of Energy	2,490,720	2,730,432	48 Accounts Payable	1,795,708	1,884,971
21 Accounts Receivable-Net Other	209,261	159,598	49 Consumers Deposits	589,135	541,482
22 Renewable Energy Credits	-	-	50 Current Maturities Long-Term Debt	10,882,223	10,281,177
23 Materials & Supplies-Electric and Other	2,095,720	2,041,096	51 Current Maturities LTD - Econ. Devel.	-	-
24 Prepayments (inc. BPA Power Prepayment)	156,671	134,808	52 Current Maturities Capital Leases	-	-
24a BPA Power Prepayment - Current	7,540,913	7,205,685	53 Other Current & Accrued Liabilities	2,831,020	2,755,546
25 Other Current & Accrued Assets	1,562,570	1,403,969	54 Total Current & Accrued Liabilities	16,098,085	16,502,428
26 Total Current & Accrued Assets	20,819,950	15,578,790	55 Regulatory Liabilities	-	-
27 Regulatory Assets	-	-	56 Deferred Credits	4,814,178	1,768,795
28 Other Deferred Debits	14,357,838	14,235,982	57 Total Liabilities & Other Credits	\$ 283,540,497	\$ 289,022,075
28a BPA Power Prepayment - Non-current	127,012,806	134,882,829			
29 Total Assets & Other Debits	\$ 283,540,497	\$ 289,022,075			
ESTIMATED CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION					
			58 Balance Beginning of Year (1978 Thru 2013)	\$54,457,084	\$52,420,428
			59 Amounts Received This Year (Net)	2,781,212	1,795,347
			60 Total Contributions-In-Aid-Of-Construction	\$57,238,296	\$54,215,775