

LOWER VALLEY ENERGY
STATEMENT OF OPERATIONS
For The Month Ended
March 31, 2016

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

April 18, 2016

 DATE



 SIGNATURE OF PRESIDENT AND CEO

April 18, 2016

 DATE

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			
	Electric	Natural Gas	Consolidated	Budget
1 Operating Revenue	\$ 14,793,917	\$ 3,098,403	\$ 17,892,320	\$ 17,459,972
2 Power Production Expense	41,348	-	41,348	50,273
3 Cost of Purchased Power/Gas Sold	8,292,687	938,363	9,231,049	9,490,047
4 Transmission Operation & Maintenance	96,300	46,260	142,559	157,436
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	837,347	106,058	943,404	1,010,151
7 Distribution Maintenance Expense	242,548	55,981	298,528	341,512
8 Consumer Accounts Expense	200,795	24,546	225,340	230,453
9 Customer Service and Informational Expense	214,339	5,775	220,114	156,886
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	489,238	111,579	600,817	718,112
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 10,414,601	\$ 1,288,560	\$ 11,703,161	\$ 12,154,870
13 Depreciation and Amortization Expense	1,162,423	314,092	1,476,515	1,560,385
14 Tax Expense-Property	111,570	52,710	164,280	166,710
15 Tax Expense-Other	13,796	4,548	18,343	17,800
16 Interest on Long-Term Debt	1,143,416	341,460	1,484,876	1,535,943
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	2,166	3,323	2,472	3,000
19 Other Deductions	(44,737)	-	(44,737)	(44,737)
20 Total Cost of Electric Service (16 thru 23)	\$ 12,803,235	\$ 2,004,692	\$ 14,804,911	\$ 15,393,972
21 Patronage Capital & Operating Margins (3 minus 24)	\$ 1,990,682	\$ 1,093,711	\$ 3,087,410	\$ 2,066,000
22 Non Operating Margins-Interest ¹	57,234	-	54,217	21,000
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	-	-	-	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	53,876	-	53,876	-
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 2,101,792	\$ 1,093,711	\$ 3,195,503	\$ 2,087,000

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE			
	Electric	Natural Gas	Consolidated	Last Year
1 New Services Connected	76	14	90	67
2 Services Retired	29	4	33	287
3 Total Services in Place	27,150	4,048	31,198	30,942
4 Idle Services (Excluding Seasonal)	227	33	260	253
5 Miles Transmission	235	53	288	288
6 Miles Distribution - Overhead	933	-	933	937
7 Miles Distribution - Underground	1,497	196	1,693	1,702
8 Total Miles In Service (5 + 6 + 7)	2,665	249	2,915	2,927

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
March 31, 2016

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR	THIS YEAR	BUDGET	
	(a)	(b)	(c)	
1 Operating Revenue	\$ 17,123,521	\$ 17,892,320	\$ 17,459,972	\$ 5,125,199
2 Power Production Expense	31,744	41,348	50,273	7,797
3 Cost of Purchased Power & Gas	8,811,984	9,231,049	9,490,047	2,469,378
4 Transmission Operation & Maintenance	146,515	142,559	157,436	59,902
5 Regional Market Expense	-	-	-	-
6 Distribution Operation Expense	892,587	943,404	1,010,151	327,093
7 Distribution Maintenance Expense	326,466	298,528	341,512	113,703
8 Consumer Accounts Expense	189,868	225,340	230,453	81,837
9 Customer Service and Informational Expense	253,089	220,114	156,886	171,958
10 Sales Expense	-	-	-	-
11 Administrative and General Expense	663,248	600,817	718,112	197,798
12 Total Operation & Maintenance Expense (2 thru 11)	\$ 11,315,502	\$ 11,703,161	\$ 12,154,870	\$ 3,429,466
13 Depreciation and Amortization Expense	1,498,929	1,476,515	1,560,385	492,687
14 Tax Expense-Property	173,085	164,280	166,710	54,760
15 Tax Expense-Other	17,361	18,343	17,800	5,395
16 Interest on Long-Term Debt	1,700,230	1,484,876	1,535,943	491,082
17 Interest Charged to Construction-Credit	-	-	-	-
18 Interest Expense-Other ¹	29,718	2,472	3,000	749
19 Other Deductions	(44,737)	(44,737)	(44,737)	(14,912)
20 Total Cost of Electric Service (16 thru 23)	\$ 14,690,088	\$ 14,804,911	\$ 15,393,972	\$ 4,459,227
21 Patronage Capital & Operating Margins (3 minus 24)	\$2,433,432	\$3,087,410	\$2,066,000	\$665,972
22 Non Operating Margins-Interest ¹	37,210	54,217	21,000	18,383
23 Allowance for Funds Used During Construction	-	-	-	-
24 Income (Loss) from Equity Investments	-	-	-	-
25 Non Operating Margins-Other	-	-	-	-
26 Generation and Transmission Capital Credits	-	-	-	-
27 Other Capital Credits and Patronage Dividends	766	53,876	-	34,657
28 Extraordinary Items	-	-	-	-
29 Patronage Capital or Margins (21 thru 28)	\$ 2,471,408	\$ 3,195,503	\$ 2,087,000	\$ 719,012

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	67	90	5. Miles Trans.	288	288
2. Services Retired	287	33	6. Miles Dist. - OH	937	933
3. Total Services in Place	30,942	31,198	7. Miles Dist. - UG	1,702	1,693
4. Idle Services (Exclude Seasonal)	253	260	8. Total Miles (5 + 6 + 7)	2,927	2,915

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
March 31, 2016

CONSOLIDATED

ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
	Current Year	Prior Year		Current Year	Prior Year
1 Total Utility Plant in Service	\$ 201,992,708	\$ 206,426,709	30 Memberships	\$ -	\$ -
2 Construction Work in Progress	362,661	3,294,606	31 Patronage Capital	54,366,555	52,530,362
3 Total Utility Plant	202,355,369	209,721,315	32 Operating Margins-Prior Years	6,259,035	4,735,303
4 Accum. Provision for Depreciation and Amort	94,018,576	92,035,440	33 Operating Margins-Current Year	3,084,293	2,433,432
5 Net Utility Plant	108,336,793	117,685,875	34 Non Operating Margins	111,110	37,976
6 Nonutility Property - Net	-	-	35 Other Margins and Equities	17,014,966	16,455,274
7 Investments in Subsidiary Companies	-	-	36 Total Margins & Equities	80,835,958	76,192,347
8 Invest. in Assoc. Org. - Patronage Capital	2,359,366	2,004,296	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	2,018,552	2,127,171	39 Long-Term Debt - Other - RUS Guaranteed	-	-
11 Investments in Economic Development Projects	2,093	2,093	40 Long-Term Debt-Other (Net)	48,401,693	51,181,464
12 Other Investments	618,800	665,524	40a Long-Term Debt-BPA Power Prepayment	130,453,898	138,539,527
13 Special Funds	-	-	41 Long-Term Debt - WY SEO (Net)	1,318,965	1,500,000
14 Total Other Property & Investments	5,005,497	4,805,769	42 Payments - Unapplied	-	-
15 Cash-General Funds	1,180,408	1,106,246	43 Total Long-Term Debt	180,174,557	191,220,990
16 Cash-Construction Funds-Trustee	-	-	44 Obligations under Capital Leases	-	-
17 Special Deposits	1,309,577	1,181,192	45 Accumulated Operating Provisions	-	-
18 Temporary Investments	6,016,556	-	46 Total Other Noncurrent Liabilities	-	-
19 Notes Receivable-Net	326,247	301,677	47 Notes Payable	-	1,044,725
20 Accounts Receivable-Net Sales of Energy	4,225,428	4,241,656	48 Accounts Payable	2,212,216	2,374,327
21 Accounts Receivable-Net Other	629,487	192,676	49 Consumers Deposits	579,486	549,530
22 Renewable Energy Credits	-	-	50 Current Maturities Long-Term Debt	11,046,226	10,643,302
23 Materials & Supplies-Electric and Other	1,667,931	1,691,128	51 Current Maturities LTD - Econ. Devel.	-	-
24 Prepayments (inc. BPA Power Prepayment)	315,906	275,401	52 Current Maturities Capital Leases	-	-
24a BPA Power Prepayment - Current	7,891,736	7,540,913	53 Other Current & Accrued Liabilities	3,023,761	2,873,032
25 Other Current & Accrued Assets	1,971,727	1,677,713	54 Total Current & Accrued Liabilities	16,861,689	17,484,917
26 Total Current & Accrued Assets	25,535,002	18,208,600	55 Regulatory Liabilities	-	-
27 Regulatory Assets	-	-	56 Deferred Credits	4,610,522	1,851,302
28 Other Deferred Debits	20,165,986	14,631,912	57 Total Liabilities & Other Credits	\$ 282,482,726	\$ 286,749,557
28a BPA Power Prepayment - Non-current	123,439,448	131,417,400			
29 Total Assets & Other Debits	\$ 282,482,726	\$ 286,749,557			
			ESTIMATED CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION		
			58 Balance Beginning of Year (1978 Thru 2013)	\$57,433,115	\$54,457,084
			59 Amounts Received This Year (Net)	270,081	212,271
			60 Total Contributions-In-Aid-Of-Construction	\$57,703,196	\$54,669,355