

LOWER VALLEY ENERGY
STATEMENT OF OPERATION
For The Month Ended November 30, 2013

CONSOLIDATED

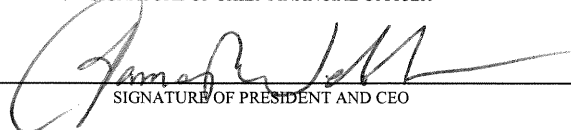
We hereby certify that the entries in this report are in accordance with the accounts and other records of Lower Valley Energy, Inc. and reflect the status of the Cooperative to the best of our knowledge and belief.



 SIGNATURE OF CHIEF FINANCIAL OFFICER

1/2/2014

DATE



 SIGNATURE OF PRESIDENT AND CEO

1/2/2014

DATE

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			
	Electric	Combined Gas	Consolidated	Budget
1. Operating Revenue - Electric.....	\$37,204,664	\$0	\$37,204,664	\$36,999,347
2. Operating Revenue - Gas.....	0	8,743,700	8,743,700	8,144,110
3. Total Operating Revenue and Patronage Capital.....	\$37,204,664	\$8,743,700	\$45,948,364	\$45,143,457
4. Power Production Expense.....	\$96,225	\$0	\$96,225	\$137,716
5. Cost of Purchased Power.....	20,871,283	0	20,871,283	20,808,285
6. Cost of Gas Sold.....	0	3,994,990	3,994,990	3,772,378
7. Transmission Operation & Maintenance - Electric.....	497,950	0	497,950	523,689
8. Distribution Operation & Maintenance - Electric.....	3,895,525	0	3,895,525	4,031,622
9. Transmission Operation & Maintenance - Gas.....	0	154,612	154,612	176,390
10. Gas Storage Facility Operation & Maintenance.....	0	72,966	72,966	103,820
11. Distribution Operation & Maintenance - Gas.....	0	302,094	302,094	319,530
12. Consumer Accounts Expense.....	703,664	88,867	792,531	818,129
13. Customer Service and Informational Expense.....	444,398	26,391	470,789	469,715
14. Sales Expense.....	0	0	0	0
15. Administrative and General Expense.....	2,058,761	328,035	2,386,796	2,567,560
16. Total Operation & Maintenance Expense (4 thru 15).....	\$28,567,806	\$4,967,955	\$33,535,761	\$33,728,834
17. Depreciation and Amortization Expense.....	4,121,389	894,932	5,016,321	5,100,255
18. Tax Expense-Property.....	403,475	168,300	571,775	583,100
19. Tax Expense-Other.....	129,189	10,640	139,829	166,340
20. Interest on Long-Term Debt.....	920,742	1,368,186	2,288,928	2,402,510
21. Interest Charged to Construction-Credit.....	0	0	0	0
22. Interest Expense-Other*.....	86,464	152,206	87,113	142,450
23. Other Deductions.....	(164,035)	0	(164,035)	(164,040)
24. Total Cost of Electric Service (16 thru 23).....	\$34,065,031	\$7,562,219	\$41,475,693	\$41,959,449
25. Patronage Capital & Operating Margins (3 minus 24).....	\$3,139,633	\$1,181,481	\$4,472,671	\$3,184,008
26. Non Operating Margins-Interest*.....	253,023	0	101,466	98,300
27. Allowance for Funds Used During Construction.....	0	0	0	0
28. Income (Loss) from Equity Investments.....	0	0	0	0
29. Non Operating Margins-Other.....	0	0	0	20,000
30. Generation and Transmission Capital Credits.....	0	0	0	0
31. Other Capital Credits and Patronage Dividends.....	167,532	216,364	383,896	270,000
32. Extraordinary Items.....	0	0	0	0
33. Patronage Capital or Margins (25 thru 32).....	\$3,560,188	\$1,397,845	\$4,958,033	\$3,572,308

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE			
	Electric	Combined Gas	Consolidated	Last Year
1. New Services Connected.....	267	55	322	309
2. Services Retired.....	310	14	324	217
3. Total Services in Place.....	26,803	4,031	30,834	30,493
4. Idle Services (Excluding Seasonal).....	230	35	265	253
5. Miles Transmission.....	235	50	285	285
6. Miles Distribution - Overhead.....	947	0	947	947
7. Miles Distribution - Underground.....	1,416	213	1,629	1,624
8. Total Miles In Service (5 + 6 + 7).....	2,598	263	2,862	2,856

Note: Lines 22 and 26 in the Consolidated column do not include intercompany interest earned or accrued between the Electric and Gas divisions.

LOWER VALLEY ENERGY
STATEMENT OF OPERATION
For The Month Ended
November 30, 2013

CONSOLIDATED

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

SIGNATURE OF CHIEF FINANCIAL OFFICER

1/2/2014

DATE

SIGNATURE OF PRESIDENT AND CEO

1/2/2014

DATE

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue - Electric.....	\$35,357,202	\$37,204,664	\$36,999,347	\$3,863,409
2. Operating Revenue - Gas.....	7,867,868	8,743,700	8,144,110	1,013,676
3. Total Operating Revenue and Patronage Capital.....	\$43,225,070	\$45,948,364	\$45,143,457	\$4,877,085
4. Power Production Expense.....	\$118,871	\$96,225	\$137,716	\$8,286
5. Cost of Purchased Power.....	19,614,994	20,871,283	20,808,285	2,128,951
6. Cost of Gas Sold.....	4,092,267	3,994,990	3,772,378	514,597
7. Transmission Operation & Maintenance - Electric.....	487,704	497,950	523,689	37,953
8. Distribution Operation & Maintenance - Electric.....	3,850,219	3,895,525	4,031,622	314,090
9. Transmission Operation & Maintenance - Gas.....	169,739	154,612	176,390	11,682
10. Gas Storage Facility Operation & Maintenance.....	100,139	72,966	103,820	7,189
11. Distribution Operation & Maintenance - Gas.....	287,367	302,094	319,530	31,342
12. Consumer Accounts Expense.....	726,231	792,531	818,129	70,033
13. Customer Service and Informational Expense.....	505,450	470,789	469,715	69,636
14. Sales Expense.....	0	0	0	0
15. Administrative and General Expense.....	2,249,279	2,386,796	2,567,560	222,812
16. Total Operation & Maintenance Expense (4 thru 15).....	\$32,202,260	\$33,535,761	\$33,728,834	\$3,416,572
17. Depreciation and Amortization Expense.....	4,882,748	5,016,321	5,100,255	463,528
18. Tax Expense-Property.....	604,805	571,775	583,100	52,900
19. Tax Expense-Other.....	149,364	139,829	166,340	4,747
20. Interest on Long-Term Debt.....	2,376,530	2,288,928	2,402,510	231,393
21. Interest Charged to Construction-Credit.....	0	0	0	0
22. Interest Expense-Other.....	248,795	87,113	158,450	3,624
23. Other Deductions.....	(164,035)	(164,035)	(164,040)	(14,912)
24. Total Cost of Electric Service (16 thru 23).....	\$40,300,467	\$41,475,693	\$41,975,449	\$4,157,852
25. Patronage Capital & Operating Margins (3 minus 24).....	\$2,924,603	\$4,472,671	\$3,168,008	\$719,233
26. Non Operating Margins-Interest.....	248,474	101,466	114,300	7,144
27. Allowance for Funds Used During Construction.....	0	0	0	0
28. Income (Loss) from Equity Investments.....	0	0	0	0
29. Non Operating Margins-Other.....	16,608	0	20,000	0
30. Generation and Transmission Capital Credits.....	0	0	0	0
31. Other Capital Credits and Patronage Dividends.....	270,026	383,896	270,000	0
32. Extraordinary Items.....	0	0	0	0
33. Patronage Capital or Margins (25 thru 32).....	\$3,459,711	\$4,958,033	\$3,572,308	\$726,377

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	309	322	5. Miles Transmission	285	285
2. Services Retired	217	324	6. Miles Distribution-Overhead	947	947
3. Total Services in Place	30,493	30,834	7. Miles Distribution-Underground	1,624	1,679
4. Idle Services (Exclude Seasonal)	253	265	8. Total Miles In Service (5 + 6 + 7)	2,856	2,912

Note: Lines 22 and 26 do not include intercompany interest earned or accrued between the Electric and Gas divisions.

LOWER VALLEY ENERGY, INC.
Consolidated
FINANCIAL AND STATISTICAL REPORT
November 30, 2013

BALANCE SHEET - CONSOLIDATED

ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
	CURRENT YEAR	PRIOR YEAR		CURRENT YEAR	PRIOR YEAR
1. Total Utility Plant in Service.....	\$196,320,809	\$191,523,680	30. Memberships.....	\$0	\$0
2. Construction Work in Progress.....	8,240,914	7,840,347	31. Patronage Capital.....	52,260,300	51,593,320
3. Total Utility Plant (1 + 2).....	\$204,561,723	\$199,364,027	32. Operating Margins-Prior Years.....	0	0
4. Accum. Provision for Depreciation and Amort.....	84,776,600	80,514,092	33. Operating Margins-Current Year.....	4,472,671	3,070,540
5. Net Utility Plant (3 - 4).....	\$119,785,123	\$118,849,935	34. Non Operating Margins.....	485,362	389,172
6. Nonutility Property - Net.....	\$0	\$0	35. Other Margins and Equities.....	14,407,649	13,680,722
7. Investments in Subsidiary Companies.....	0	0	36. Total Margins & Equities (30 thru 35).....	\$71,625,981	\$68,733,754
8. Invest. in Assoc. Org. - Patronage Capital.....	2,150,591	1,922,251	37. Long-Term Debt - Bonds.....	\$0	\$0
9. Invest. in Assoc. Org -Other-General Funds.....	11,685	56,911	38. Long-Term Debt Other - Econ. Devel. (Net).....	1,500,000	1,500,000
10. Invest. in Assoc. Org -Other-Nongeneral Funds.....	2,631,017	2,632,611	39. Long-Term Debt Other - Guaranteed.....	0	0
11. Investments in Economic Development Projects.....	2,093	2,093	40. Long-Term Debt-Other (Net).....	60,205,662	58,908,410
12. Other Investments.....	97,768	123,675	40a. Long-Term Debt-Other (BPA Prepayment Funding).....	148,857,050	0
13. Special Funds.....	0	0	41. Total Long-Term Debt (37 thru 40).....	\$210,562,712	\$60,408,410
14. Total Other Property & Investments (6 thru 13).....	\$4,893,154	\$4,737,541	42. Obligations under Capital Leases.....	\$0	\$0
15. Cash-General Funds.....	\$996,430	\$1,586,123	43. Accumulated Operating Provisions.....	0	0
16. Cash-Construction Funds-Trustee.....	0	0	44. Total Other Noncurrent Liabilities (42 + 43).....	\$0	\$0
17. Special Deposits.....	1,354,873	1,424,320	45. Notes Payable.....	0	0
18. Temporary Investments.....	0	0	46. Accounts Payable.....	3,924,296	5,959,498
19. Notes Receivable-Net.....	226,056	142,490	47. Consumers Deposits.....	576,886	521,966
20. Accounts Receivable-Net Sales of Energy.....	3,264,320	2,113,963	48. Other Current & Accrued Liabilities.....	4,775,040	3,724,575
21. Accounts Receivable-Net Other.....	291,641	286,027	49. Total Current & Accrued Liabilities (45 thru 48).....	\$9,276,222	\$10,206,039
22. Materials & Supplies-Electric and Other.....	1,726,445	1,532,771	50. Deferred Credits.....	\$960,515	\$2,254,529
23. Prepayments.....	83,243	55,448	51. Miscellaneous Operating Reserves.....	0	0
24. Other Current & Accrued Assets.....	1,846,017	1,870,879	52. Total Liabilities & Other Credits (36 + 41 + 44 + 49 thru 51).....	\$292,425,430	\$141,602,732
25. Total Current & Accrued Assets (15 thru 24).....	\$9,789,026	\$9,012,021			
26. Regulatory Assets.....	0	0			
27. Deferred Debits.....	9,397,569	9,003,235			
27a. Other Non-current Assets-BPA Power Prepayment.....	148,560,557	0			
28. Accumulated Deferred Income Taxes.....	0	0			
29. Total Assets & Other Debits (5 + 14 + 25 thru 28).....	\$292,425,430	\$141,602,732			

ESTIMATED CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION		
	CURRENT YEAR	PRIOR YEAR
53. Balance Beginning of Year (1978 Thru 2012).....	\$50,999,089	\$49,929,523
54. Amounts Received This Year (Net).....	1,383,098	1,025,351
55. TOTAL Contributions-in-Aid-Of-Construction.....	\$52,382,187	\$50,954,874

NOTES TO FINANCIAL STATEMENTS

THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.

	2013		2012	
	October	November	October	November
1. Current Assets/Liabilities	1.27	1.06	0.96	0.88
2. Equity	24.89%	24.49% *	49.17%	48.54%
2a. Equity excluding BPA Power Prepayment	50.93%	49.89%	49.17%	48.54%
3. Long Term Debt as a % of Plant	103.76%	102.93% *	30.54%	30.30%
4. Debt Service Coverage	2.43	2.62	1.97	2.12
5. Inventory Turnover - Electric (Dist & Trans)				
Dollar Value	0.76	0.75	0.80	0.95
Quantity	1.13	1.05	1.22	1.22
6. Intercompany Receivables/(Payables) :				
Electric Division	3,959,474	4,552,086	6,202,415	7,019,709
Combined Gas Division	(3,959,474)	(4,552,086)	(6,202,415)	(7,019,709)
7. Total Shared Overhead-Gas Division	274,669	300,609	266,260	288,646
8. Material Inventory:				
Material	1,811,071	1,726,445	1,540,848	1,532,771
Special Equip.	2,107,786	2,251,304	1,909,588	1,879,088
Total Material	3,918,857	3,977,749	3,450,436	3,411,859
9. Aged Accounts Receivable (Over 60 Days):	44,435	21,972	57,364	20,607
10. Lower Valley has a \$12 Million dollar line of credit with CFC to meet short term cash needs. As of November 30, 2013 the line of credit balance was		\$ 2,152,362		

* Note: The decrease in Equity and increase in Long Term Debt % of Plant ratios are attributable to the acquisition of new debt related to the BPA power prepayment program.