

LOWER VALLEY ENERGY
STATEMENT OF OPERATION
For The Month Ended October 31, 2013

CONSOLIDATED

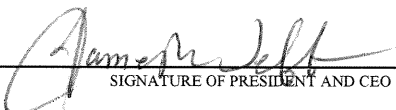
We hereby certify that the entries in this report are in accordance with the accounts and other records of Lower Valley Energy, Inc. and reflect the status of the Cooperative to the best of our knowledge and belief.



 SIGNATURE OF CHIEF FINANCIAL OFFICER

11/19/2013

 DATE



 SIGNATURE OF PRESIDENT AND CEO

11/19/2013

 DATE

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			
	Electric	Combined Gas	Consolidated	Budget
1. Operating Revenue - Electric.....	\$33,341,255	\$0	\$33,341,255	\$33,146,287
2. Operating Revenue - Gas.....	0	7,730,024	7,730,024	6,995,590
3. Total Operating Revenue and Patronage Capital.....	\$33,341,255	\$7,730,024	\$41,071,279	\$40,141,877
4. Power Production Expense.....	\$87,939	\$0	\$87,939	\$125,122
5. Cost of Purchased Power.....	18,742,332	0	18,742,332	18,663,317
6. Cost of Gas Sold.....	0	3,480,392	3,480,392	3,212,826
7. Transmission Operation & Maintenance - Electric.....	459,998	0	459,998	482,048
8. Distribution Operation & Maintenance - Electric.....	3,581,435	0	3,581,435	3,649,578
9. Transmission Operation & Maintenance - Gas.....	0	142,930	142,930	156,510
10. Gas Storage Facility Operation & Maintenance.....	0	93,330	93,330	91,990
11. Distribution Operation & Maintenance - Gas.....	0	243,199	243,199	292,190
12. Consumer Accounts Expense.....	641,158	81,339	722,497	744,318
13. Customer Service and Informational Expense.....	377,981	23,172	401,153	427,013
14. Sales Expense.....	0	0	0	0
15. Administrative and General Expense.....	1,864,323	299,661	2,163,984	2,354,687
16. Total Operation & Maintenance Expense (4 thru 15).....	\$25,755,166	\$4,364,023	\$30,119,189	\$30,199,599
17. Depreciation and Amortization Expense.....	3,739,231	813,562	4,552,793	4,631,860
18. Tax Expense-Property.....	366,415	152,460	518,875	530,080
19. Tax Expense-Other.....	125,733	9,350	135,082	150,790
20. Interest on Long-Term Debt.....	836,895	1,220,640	2,057,535	2,191,170
21. Interest Charged to Construction-Credit.....	0	0	0	0
22. Interest Expense-Other*.....	84,426	141,135	83,976	136,035
23. Other Deductions.....	(149,122)	0	(149,122)	(149,130)
24. Total Cost of Electric Service (16 thru 23).....	\$30,758,742	\$6,701,170	\$37,318,328	\$37,690,404
25. Patronage Capital & Operating Margins (3 minus 24).....	\$2,582,513	\$1,028,854	\$3,752,952	\$2,451,474
26. Non Operating Margins-Interest*.....	236,393	0	94,808	99,335
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).....	\$2,986,438	\$1,245,218	\$4,231,657	\$2,840,808

DATA ON TRANSMISSION AND DISTRIBUTION

ITEM	YEAR-TO-DATE			
	Electric	Combined Gas	Consolidated	Last Year
1. New Services Connected.....	221	45	266	261
2. Services Retired.....	282	14	296	205
3. Total Services in Place.....	26,841	4,028	30,869	30,337
4. Idle Services (Excluding Seasonal).....	221	35	256	92
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	2,861	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
October 31, 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

11/19/2013
DATE

SIGNATURE OF PRESIDENT AND CEO

11/19/2013
DATE

STATEMENT OF OPERATIONS - CONSOLIDATED

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue - Electric.....	\$31,903,053	\$33,341,255	\$33,146,287	\$3,355,719
2. Operating Revenue - Gas.....	7,163,700	7,730,024	6,995,590	840,784
3. Total Operating Revenue and Patronage Capital.....	\$39,066,754	\$41,071,279	\$40,141,877	\$4,196,504
4. Power Production Expense.....	\$114,329	\$87,939	\$125,122	\$7,004
5. Cost of Purchased Power.....	18,042,902	18,742,332	18,663,317	2,067,518
6. Cost of Gas Sold.....	3,790,182	3,480,392	3,212,826	374,194
7. Transmission Operation & Maintenance - Electric.....	419,716	459,998	482,048	31,159
8. Distribution Operation & Maintenance - Electric.....	3,519,069	3,581,435	3,649,578	327,822
9. Transmission Operation & Maintenance - Gas.....	161,081	142,930	156,510	5,883
10. Gas Storage Facility Operation & Maintenance.....	92,357	93,330	91,990	17,272
11. Distribution Operation & Maintenance - Gas.....	270,709	243,199	292,190	24,039
12. Consumer Accounts Expense.....	667,924	722,497	744,318	66,883
13. Customer Service and Informational Expense.....	590,465	401,153	427,013	52,665
14. Sales Expense.....	0	0	0	0
15. Administrative and General Expense.....	2,090,994	2,163,984	2,354,687	227,900
16. Total Operation & Maintenance Expense (4 thru 15).....	\$29,759,729	\$30,119,189	\$30,199,599	\$3,202,338
17. Depreciation and Amortization Expense.....	4,435,509	4,552,793	4,631,860	463,435
18. Tax Expense-Property.....	553,030	518,875	530,080	52,900
19. Tax Expense-Other.....	136,035	135,082	150,790	3,697
20. Interest on Long-Term Debt.....	2,201,688	2,057,535	2,191,170	232,592
21. Interest Charged to Construction-Credit.....	0	0	0	0
22. Interest Expense-Other.....	224,737	83,976	136,035	3,579
23. Other Deductions.....	(149,122)	(149,122)	(149,130)	(14,912)
24. Total Cost of Electric Service (16 thru 23).....	\$37,161,605	\$37,318,328	\$37,690,404	\$3,943,628
25. Patronage Capital & Operating Margins (3 minus 24).....	\$1,905,149	\$3,752,952	\$2,451,474	\$252,876
26. Non Operating Margins-Interest.....	224,154	94,808	99,335	24,573
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.....	270,027	383,896	270,000	0
32. Extraordinary Items.....	0	0	0	0
33. Patronage Capital or Margins (25 thru 32).....	\$2,415,938	\$4,231,657	\$2,840,808	\$277,449

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	261	266	5. Miles Transmission	285	285
2. Services Retired	205	296	6. Miles Distribution-Overhead	947	947
3. Total Services in Place	30,337	30,869	7. Miles Distribution-Underground	1,624	1,679
4. Idle Services (Exclude Seasonal)	92	256	8. Total Miles In Service (5 + 6 + 7)	2,856	2,911

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

