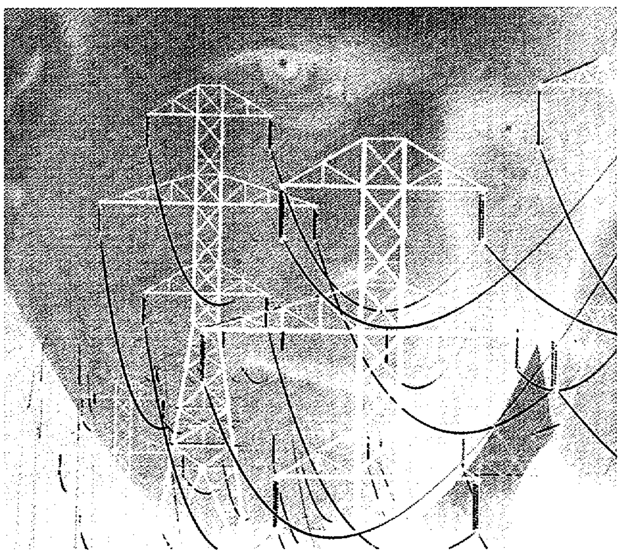
CENTRAL IOWA POWER COOPERATIVE 1999 ANNUAL REPORT



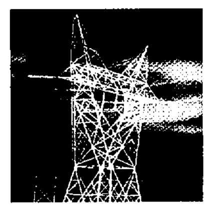
The Power of Choice

The Central Iowa Power Cooperative (CIPCO), a Touchstone Energy® Cooperative, is a consumer-owned, not-for-profit cooperative headquartered in Cedar Rapids, Iowa. CIPCO generates and transmits the wholesale electric needs of thirteen electric cooperatives and one municipal cooperative serving urban and rural residences, farms, municipalities, businesses and industries across the state of Iowa.

CIPCO's service territory extends over a 300 mile diagonal path across the state from the Mississippi River on the east to the Missouri River on the southwest. Generating facilities include nuclear, coal-fired, combustion turbine and diesel units, owned and co-owned by the cooperative. An integrated network of transmission lines, substation facilities, power purchases, and exchange agreements with other utilities complete CIPCO's power supply system.

INTEGRITY
financial and system stability

ACCOUNTABILITY
one member, one vote



INNOVATION
high-tech tools & load research

COMMITMENT
volunteerism in the community

Back Cover: Journeyman lineman Jim Nielsen near a suburban housing development in Cedar Rapids, served by Linn County REC.

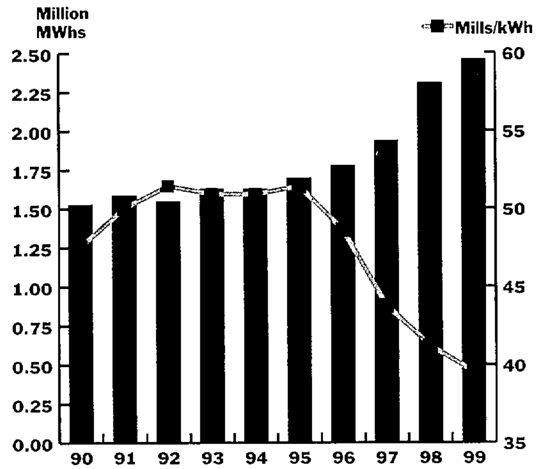
The power of choice...this will become the main focus of Central Iowa Power Cooperative as they enter into a time that promises a great many variables but few predictables. Nonetheless, CIPCO will be guided by the four main principles on which the organization was built—integrity, accountability, innovation, and commitment to community—and move ahead to fulfill our vision to be the provider of choice.

INTRODUCTION

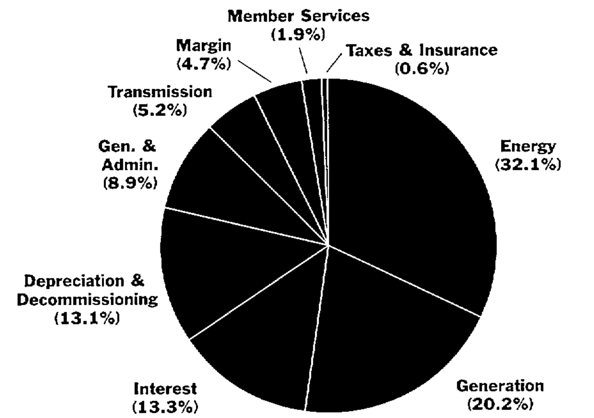
Integrity, accountability, innovation and commitment to community. Electric cooperatives across the country are joining together under a national brand, Touchstone Energy–the power of human connections, to promote these four core values as the defining difference that sets cooperatives apart in the electric utility industry. The CIPCO Board of Directors, Management and Staff partner with its Member Distribution Cooperatives to embrace these values and uphold the mission to bring competitively priced goods and services to a membership of 250,000 Iowans.

CIPCO AT A GLANCE

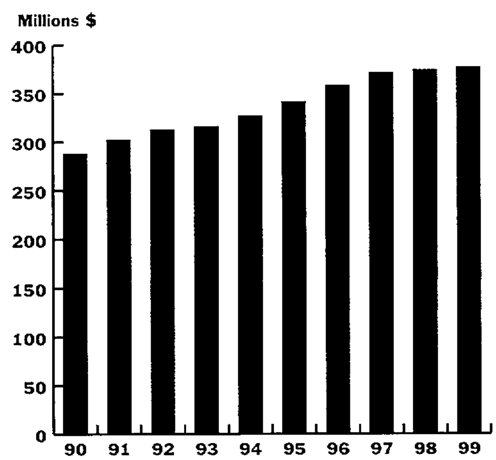
Energy Sales



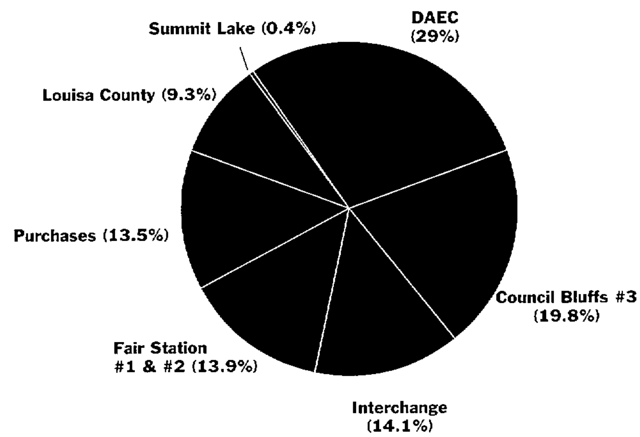
Operating Expenses



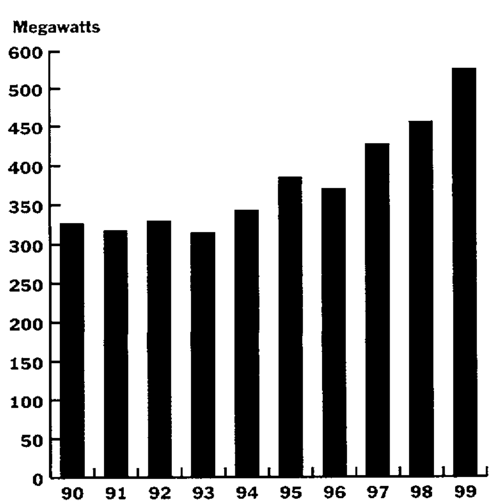
Utility Plant Investment



Sources of Energy



Peak Demand



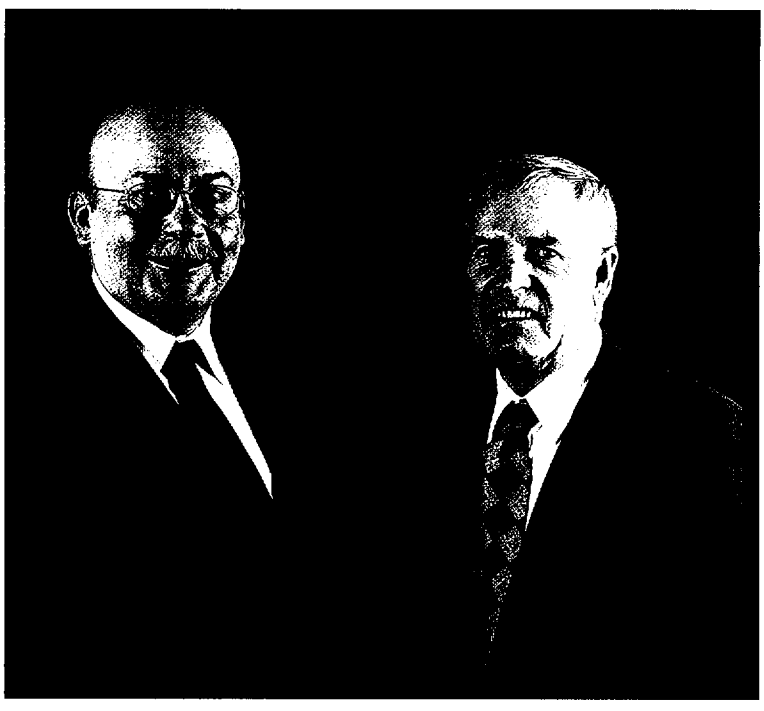
1999 Statistics

Energy Sales	2,455,981 MWh
Total Operating Revenue	$102,538,259
Net Margin	$5,517,418
Total Assets	$375,426,067
Average System Rate	39.53 Mills/kWh
Member Distribution Systems	14
Total Retail Consumers (approximate number of meters)	109,000
Approximate Population Served	250,000
1999 Peak Demand	525 MW
Miles of Transmission Line	2,000
Employees (including affiliated and subsidiary companies)	119

A MESSAGE FROM THE PRESIDENT & CEO

We are proud to report that CIPCO and its member cooperatives were winners in 1999. We concluded the year with revenues of $102.5 million and recognized a $5.5 million margin despite a write-off of $6.2 million for a loan refinancing penalty. CIPCO exceeded its budgeted margin by 38%; a solid performance created by investing our resources in our people as well as programs which enhanced our efficiency. This strategy is key to our preparations for a competitive market.

We have always pursued business strategies that maximize market opportunities. In 1993, we adopted a broader investment allocation policy. Our ability to take advantage of a solid economy through investments in both the public and private equity markets allowed us to achieve results that would have been very difficult under the constraints of our previous policy. As a result, CIPCO's portfolio has increased 385%; a growth of $109 million. The excellent return on investments has allowed us to offer power rates that did not increase proportionally to offset increases in operating expenses. In addition, the value of each distribution cooperatives' investment in CIPCO has increased 130%. Finally, our cash resources advantageously position us to move into a competitive environment.



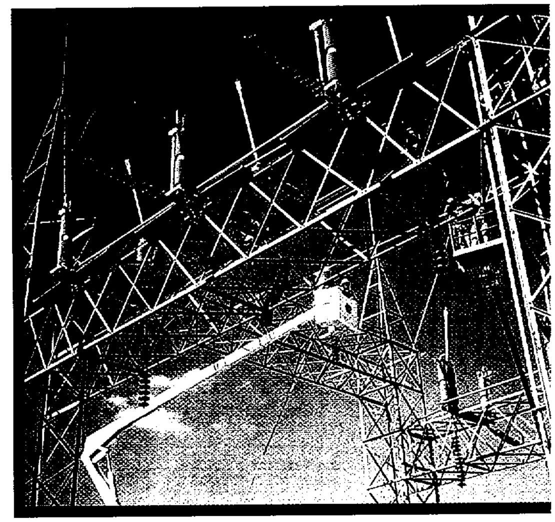
While our number one priority will continue to be providing our customer-owners with safe, reliable, cost effective electricity, we will be forced to adapt to a whole new set of rules. The business models we followed in the past will no longer serve either our organizations' or our customers' best interests.

We have two options. We can fear the changes customer choice will bring and fight to remain the same, or we can begin to think outside the box, challenging ourselves to look at our business in a whole new light. Creativity, ingenuity, and continued hard work will be key.

Change will happen with or without our consent. Building walls to keep the competition out is not an option. Investing our resources to take advantage of the forthcoming market opportunities is a healthier more prosperous course to follow.

How do we get there? Do we have the tools and resources to compete?

CIPCO has been preparing for the new market; investing and evaluating new programs and procedures as well as potential alliances and business partners. We cannot afford to be complacent, oblivious to the tide of change. We must recognize that what may have been effective in the past will likely prove to be ineffective in the future. Information is key to choosing the right course and action. CIPCO has been compiling market data to review and analyze potential market models, asset and resource management strategies and the assessment of our competitions' likely plans. Together we will develop new business models that the next generation of electric leaders will emulate.



CIPCO employees replace the Anita tap switch to ensure the integrity of the system.

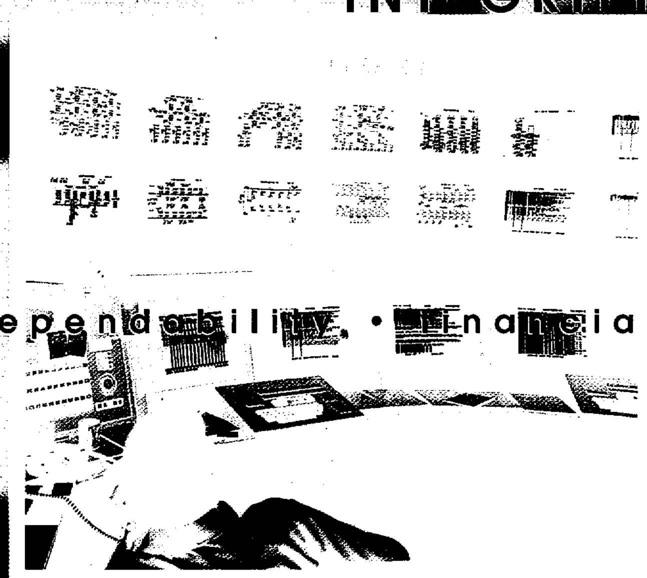
We have distinct advantages. As member-owned organizations, we have never forgotten that service versus profit is our mission. And we are agile; smaller in size than the investor-owned utilities, we have fewer legacy systems which hinder the development and implementation of new value propositions our customers will want and demand.

We will be continually changing and evolving. CIPCO and its member cooperatives travel this road together. CIPCO and its board of directors along with our member cooperatives' managers and their boards of directors must become unified agents of change. Reactive business and marketing programs will be replaced with strategic initiatives to take maximum advantage of new opportunities. By leading and directing change, we will build consensus among our employees and become an even greater resource for our customers, focused on adding value to everything we do.

We are up to the challenge. The opportunities are immense. By redefining who we are, we will capture new customers and ensure customer retention. We challenge each and every one to leave monopolistic attitudes behind and adopt an entrepreneurial attitude. Together, there is nothing we can't accomplish.

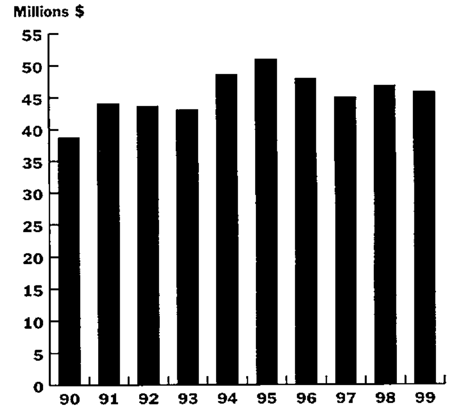
Dennis L. Murdock Keith Wirt

INTEGRITY



system dependability • financial stability

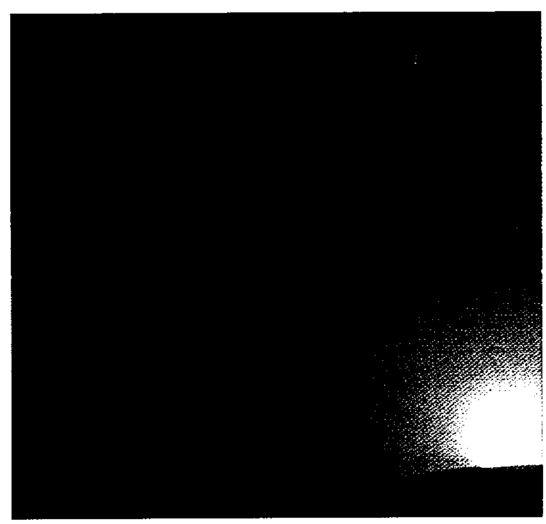
The integrity of an organization is evident in its day-to-day operations, which in turn should mirror its long-term goals. Accurate and detailed dissemination of market research, educational materials, financial analysis, and industry information affords CIPCO members a sound base to plan and implement their own operations. CIPCO respects the confidentiality of this information flow and maintains the highest level of integrity of all concerned.



Operations & Maintenance

CIPCO has a sense of responsibility to empower member systems with accurate disclosure—all of which helps in the service to their memberships. Open discussion with managers, member service, and communication professionals fosters an atmosphere of trust and cooperation which contributes to the future success of CIPCO and its members. Using tools such as the end-use survey process—resulting in a confidential report to the Board of Directors—allows CIPCO to share information and implement practices that are relevant to the business relationship shared by CIPCO and its members.

The integrity of any business is demonstrated in the reliability of the service it can provide for its members. Through CIPCO's new-to-replace-old program a portion of the aging transmission system is replaced each year. In 1999, 18.63 miles of line were rebuilt, thus ensuring continued quality and dependable power supply for the members. New line is added as needed to serve new or expanding loads of the member distribution systems. During 1999, 5.03 miles of new transmission line were added for Farmers Electric Cooperative, Inc., Greenfield, and 13.6 miles were constructed to serve additional load in the service territory of Eastern Iowa Light and Power Cooperative, Wilton.



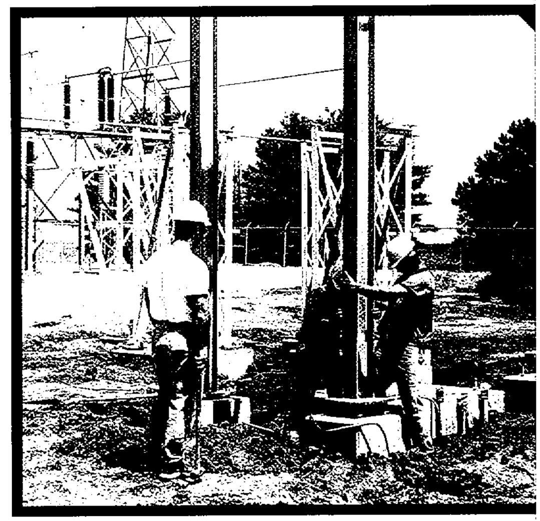
An important part of maintaining the integrity of the system is the men and women who are dedicated to good service and customer satisfaction.

CIPCO's generating stations are routinely upgraded and maintained to guarantee uninterrupted output of power and energy. The Duane Arnold Energy Center was refueled late in 1999 with an outage of just over 40 days. The plant operated under budget in all categories in 1999 and completed its sixth year of operation without a lost-time accident. Both Council Bluffs #3 and Louisa Generating Station performed well in 1999 with less than a 4 percent forced outage rate. The excellent performance of these stations in 1999 is testimony to the success of sound reinvestment and proof that CIPCO should be the power provider of choice.

ACCOUNTABILITY

access to corporate officers • one member, one vote

Cooperatives are member-owned organizations controlled by a board of directors with a one-member, one-vote philosophy. As a cooperative, CIPCO is obligated to provide at-cost services with all earnings returned to the members. As the expectations of service quality and dependability rise, so does the responsibility of the cooperative to supply it.

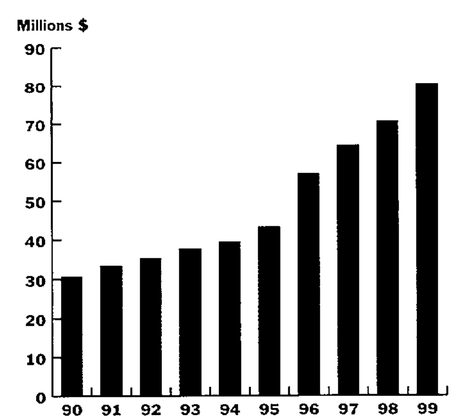


CIPCO employees Mike Combs (left), Dave Symmonds (center) and Randy Meester set a steel beam on the concrete foundation of Grand Mound substation.

CIPCO is accountable to its membership in many ways. An annual report to members has historically shown that CIPCO is financially strong . The year 1999 is no exception. An improving equity position and profits to share with the members are revealed in the financial reports and on the balance sheet and give the members a clear understanding that the future promises success. Developing strategies for a restructured electric utility industry is clearly important to that success.

CIPCO's Board of Directors and management consider restructuring an opportunity to change the way they have conducted business and move into the next century with new products and services. Changing the image of the rural electric cooperative is not necessarily the goal, but rather informing the existing and potential membership that cooperatives can compete in price and value of electric service.

Cooperatives have quietly gone about their business for more than 50 years with no need to report their accomplishments beyond their current membership. The time has come to change this and CIPCO responded in 1999 by launching a name recognition campaign. Introduction of an updated logo and tag line accompanied the ads. These ads communicate to the public that CIPCO and its partner providers, the local electric cooperatives, are part of their communities helping them grow and prosper.



Members' Equity

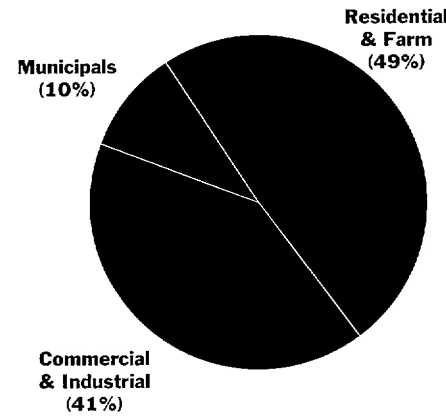
CIPCO's marketing operations are reported on a monthly basis to member system personnel for review and analysis. These reports detail individual success through their marketing program involvement. It tracks progress among systems, lists power bill credits, and graphs multiple program comparisons.

Many services are provided for the member systems to equip them with the tools needed to be accountable to their membership. This benefits the goal of being the provider of choice in the marketplace.

INNOVATION

line access • load research • data availability

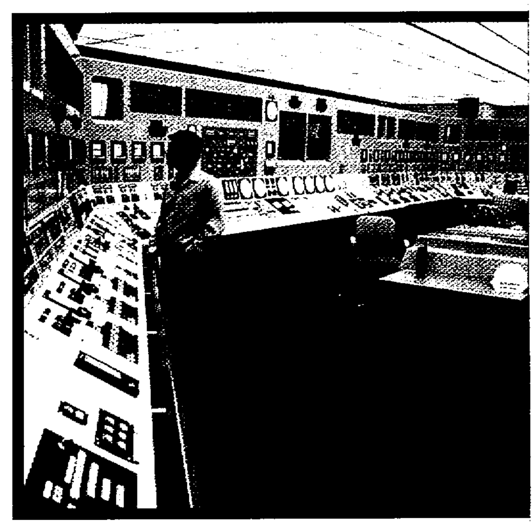
Cipco's progressive success and constant growth are attributed to its commitment of supplying the necessary resources to an industry that's changing rapidly. All facets of CIPCO's daily business rely on technology for elite performance, in a means of utmost efficiency and productivity.



CIPCO System MWh Energy Sales

Data systems record load research and marketing details that provide invaluable information for CIPCO and its member systems. A suite of products allows the member systems to display data in significant and usable ways; either internally by the member, or externally by the customer. This product can be used to determine the effect of adding and subtracting loads from the system, more so it can be used as an engineering tool, as it measures the specified load data. To the customer's advantage, it can serve to predict the outcome of the customer's load, based on an existing customer's model. Rate comparison can be made at the touch of a button.

Electronic communication exemplifies CIPCO's efforts to streamline its operations. The recent addition of T-1 technology enhances CIPCO's current Internet and e-mail traffic, as well as allows for the increased two-way traffic in the development of an Intranet system. This high speed digital line between CIPCO and U.S. West's Central Office will dissolve the frustrations of the inadequacies in the previous system. Furthermore, it eliminates the need for dedicated lines and 800 charges between cooperative facilities.



The heart of a generating plant is its control room.

The revolution of the Internet has opened a limitless avenue of communication. To insure up-to-date proficiency, CIPCO developed a web site (www.cipco.org) that evolves regularly. As a live document, visitors to the website will find details about CIPCO, its leadership, operations, restructuring updates, and educational links. New features that will add value to the site are always being considered.

The creation of CIPCO's Intranet provides a back-office service for CIPCO and its member systems. It will be greatly expanded in 2000 and will contain proprietary information accessible only by CIPCO directors, employees, and member systems.

COMMITMENT

corporate citizenry and volunteerism

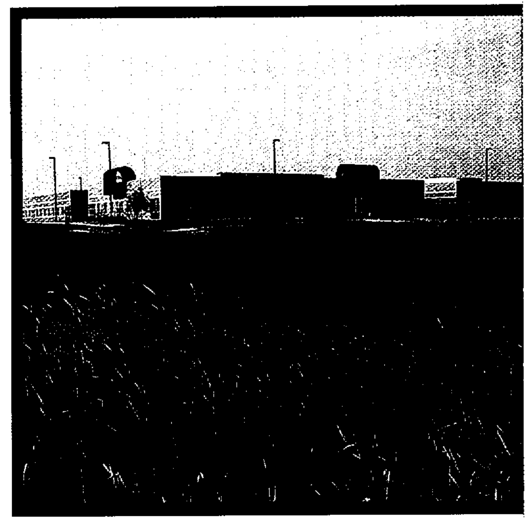
CIPCO's member systems are integral to the communities they serve. They work in, live in, and support these communities and participate in their successes. Economic development is a primary example of this support. Partnered with the local electric cooperative, the Iowa Area Development Group (IADG) and the communities, CIPCO assists in placement of new businesses in rural Iowa.

One such success was the sale of a spec building owned by CIPCO, Guthrie County REC and Perry Economic Development, Ltd. in an industrial park at Perry, Iowa. The purchaser, Percival Scientific, plans to double the size of the existing 30,000 square foot facility and will hire and train 16 additional employees. Growing businesses like this are an asset to the local communities.

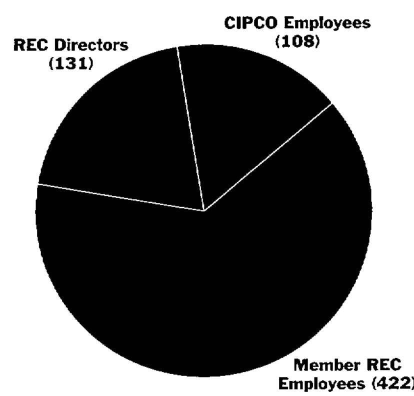
Loan programs and rate incentives offered by CIPCO assist new and expanding business and influence facility relocations. Extensive engineering assistance often accompanies an effort to place a new business in the community. Again, partnering is often the key to success in these projects. The University of Iowa Oakdale Research Park near Coralville, Iowa, has drawn several new companies to a high tech professional office park, Myriad Technology Plaza (right), jointly owned by CIPCO and Linn County Rural Electric Cooperative. Currently, the four-building complex is fully occupied with additional expansion to the site being considered.

In 1999, CIPCO formed new alliances to offer its members greater opportunities. An alliance with The Energy Group, a Des Moines based energy service company, provides cost-effective solutions for existing and potential cooperative members. This company has reduced operating costs at three community school districts through the installation of geothermal heating and cooling equipment. This is just one of the technical services available to CIPCO's member systems. Several partner relationships provide education for local trade allies in and around members' communities.

CIPCO's Touchstone Energy Community Service Challenge recognizes community volunteer hours of cooperative employees. During 1999 Iowa's electric cooperatives documented more than 18,000 volunteer hours in their communities. These volunteers give their time freely to youth programs, church activities, civic organizations, community development and much more. They will be there tomorrow to support the place where they live and work.



Myriad Technology Plaza is a professional four-building complex owned by CIPCO and Linn County Rural Electric Cooperative.

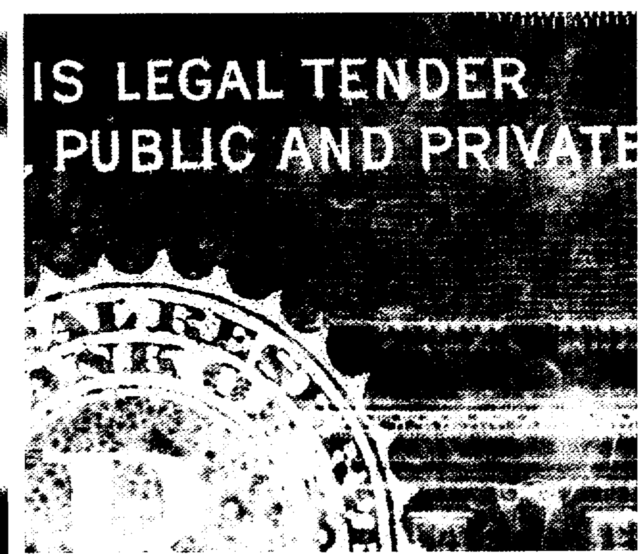


Total Rural Electric Cooperatives	**13**
Total Municipals	**21**
Total Retail Consumers (meters)	**109,000**
Approximate Population Served	**250,000**

Human Resources & Customers

Integrity

FINANCIALS



Accountability

Innovation

Commitment

Financial Profile

1999 was another year of impressive financial results for CIPCO with a net margin of $5.5 million. Strong investment earnings provided a healthy margin after expensing $6.2 million of deferred debt refinancing costs. Energy sales continue to increase with 1999 sales totaling $97.1 million after marketing rebates. MWh sales increased six percent in 1999 to a total of 2,455,981 MWh. The revenue per kilowatt-hour averaged 39.53 mills/kWh as compared to 41.21 mills/kWh in 1998. Purchased power expense increased by $4.6 million to supply the increased sales.

CIPCO continues to prepare financially to compete in a deregulated industry. During 1999, the balance of the deferred debt refinancing costs was expensed, increasing administrative and general expenses by $6.2 million and decreasing deferred charges to $2.0 million. Consolidated total assets grew to $375.4 million while members' equity increased to $81.4 million resulting in a 25.9 percent total equity capitalization as compared to 22.6 percent in 1998.

Long term investments have increased substantially during the past few years. Investments and notes receivable total $124.5 million in 1999, compared to $49.5 million in 1996. CIPCO continues to receive higher earnings on these investments with 1999 investment income of $13.5 million.

Ratios

CIPCO's Times Interest Earned Ratio (TIER) remained at 1.35 for 1999. The Debt Service Coverage (DSC) was 1.28 for 1999 and 1.31 for 1998. CIPCO's ratios continue to be in excess of the minimum requirements for debt compliance, which are 1.05 for TIER and 1.00 for DSC. CIPCO's equity to asset ratio remains strong at 21.7 percent, up from 19.6 percent a year ago.

OPEN ACCESS TO ALL

Kim Colberg
Linn County Rural Electric Cooperative, Marion

John Wietzke
Farmers Electric Cooperative, Inc., Greenfield

Patrick Murphy, Assistant Vice President of Business Development

Tom Killebrew
Clarke Electric Cooperative, Inc., Osceola

Timothy Stewart
Rideta Electric Cooperative, Inc., Mount Ayr, and Guthrie County Rural Electric Cooperative, Guthrie Center

Darrel Heetland
T.I.P. Rural Electric Cooperative, Brooklyn

Richard Anderson, Vice President of Utility Operations

John Smith
Pella Cooperative Electric Association, Pella

Martin Gardner
East-Central Iowa Rural Electric Cooperative, Urbana

Craig Fricke, Vice President of Corporate Planning and Business Development

Melvin Nicholas
Eastern Iowa Light and Power Cooperative, Wilton

James Fogt, Vice President of Corporate Operations

Brian Heithoff
Marshall County Rural Electric Cooperative, Marshalltown

Dorothy Postel
Maquoketa Valley Electric Cooperative, Anamosa

Duane Dinville
Southwest Iowa Service Cooperative (SWISCO), Stanton

Not Shown: Don Severson (Midland Power Cooperative, Jefferson).

C1

Summary

Electric cooperatives provide goods and services to the communities they serve. They have been there for decades delivering electricity at the lowest possible cost to rural Americans no one wanted to serve. Cooperative employees work to improve the standard of living in their communities. They build relationships with the friends, neighbors and colleagues with whom they share their day-to-day trials and triumphs. They have always done so with integrity, accountability, innovation and commitment to community. Electric cooperatives are people helping people. In a competitive market, the power of human connections will influence the power of choice.

eith Wirt,
resident

Dennis Murdock,
Executive Vice
President & CEO

Marvin Focht,
Vice President

Frederick Weis

Duane Armstead

Donald Williams

Norman Van Zante

James Paper

Wayne Hornocker,
Secretary/Treasurer

Denise Guy-Himes,
Executive Assistant

Melvin Neil
Assistant Secretary/
Treasurer

Dick Bishop

Wayne Wilcox

Kenneth Hastings

Duane Honnold

Allan Duffe

- CIPCO SYSTEM MANAGERS
- EXECUTIVE STAFF
- EXECUTIVE COMMITTEE
- BOARD OF DIRECTORS

C2

2500 Ruan Center
666 Grande Avenue
Des Moines, IA 50309

The Board of Directors
Central Iowa Power Cooperative

We have audited the accompanying consolidated balance sheets of Central Iowa Power Cooperative and subsidiaries as of December 31, 1999 and 1998, and the related consolidated statements of revenue and expenses, members' equity, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Cooperative's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Central Iowa Power Cooperative and subsidiaries as of December 31, 1999 and 1998, and the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles.

KPMG LLP

February 18, 2000

CENTRAL IOWA POWER COOPERATIVE AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 1999 and 1998

	1999	1998
Assets (Note 6)		
Electric utility plant, at cost (Notes 2 and 9) :		
In service	$ 376,585,219	374,042,553
Less accumulated depreciation	182,991,637	172,287,188
	193,593,582	201,755,365
Construction work in progress	4,408,692	1,587,535
Nuclear fuel, at cost less accumulated amortization of $68,365,995 in 1999 and $65,146,152 in 1998	11,235,770	7,272,293
Net electric utility plant	209,238,044	210,615,193
Non-utility property, at cost less accumulated depreciation of $277,183 in 1999 and $279,235 in 1998 (Note 3)	892,416	885,501
Investments and notes receivable:		
Investments in associated organizations	10,365,434	9,873,391
Investments in other organizations	2,909,349	5,135,616
Investments-decommissioning trust fund (Note 4)	19,912,151	16,708,718
Other investments (Note 4)	87,808,090	58,137,353
Notes receivable from affiliate	2,439,510	1,902,833
Notes receivable - other	1,079,607	887,503
Total investments and notes receivable	124,514,141	92,645,414
Current assets:		
Cash and cash equivalents:		
Cash, general	3,553,666	2,641,304
Cash, construction	5,015	5,015
Cash equivalents	16,509,102	29,074,940
Accounts receivable, members	8,544,803	8,382,660
Other receivables	1,235,499	339,284
Fossil fuel, materials and supplies	5,189,480	4,617,902
Prepaid expenses	169,963	259,849
Interest receivable	196,407	520,997
Deferred charges	3,371,199	2,374,763
Total current assets	38,775,134	48,216,714
Deferred charges	2,006,332	8,417,290
Total assets	$ 375,426,067	360,780,112
Capitalization and Liabilities		
Capitalization:		
Members' equity:		
Membership fees	$ 1,500	1,500
Patronage capital	28,194,642	24,394,642
Accumulated other comprehensive income	17,751,162	12,527,436
Other equities (Note 5)	35,447,642	33,730,224
Total members' equity	81,394,946	70,653,802
Long-term debt, less current maturities (Note 6)	233,417,244	242,583,793
Total capitalization	314,812,190	313,237,595
Current liabilities:		
Current maturities of long-term debt (Note 6)	10,744,980	10,205,000
Accounts payable	4,780,671	4,083,340
Accrued property taxes	3,936,154	5,270,640
Accrued interest	9,793	11,022
Other accrued expenses	2,082,390	653,121
Total current liabilities	21,553,988	20,223,123
Other liabilities:		
Decommissioning reserves	25,269,663	21,572,727
Special assessment	2,006,332	2,228,305
Deferred taxes (Note 8)	11,701,790	3,430,340
Other	82,104	88,022
Total other liabilities	39,059,889	27,319,394
Commitments and contingent liabilities (Note 10)		
Total capitalization and liabilities	$ 375,426,067	360,780,112

See Accompanying Notes to Consolidated Financial Statements.

CENTRAL IOWA POWER COOPERATIVE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF REVENUE & EXPENSES

Years Ended December 31, 1999 and 1998

		1999	1998
Operating revenue:			
Electric:			
Energy sales	$	**97,079,407**	95,279,621
Rent of property		**4,082,065**	4,629,780
Miscellaneous		**569,287**	457,716
Other		**807,500**	442,137
Total operating revenue		**102,538,259**	100,809,254
Operating expenses:			
Purchased power		**21,381,342**	16,789,263
Operations:			
Production plant - fuel		**15,969,507**	15,603,100
Production plant - other		**16,382,099**	17,584,071
Transmission plant		**4,466,763**	4,444,107
Maintenance:			
Production plant		**7,102,445**	6,845,639
Transmission plant		**1,578,039**	1,615,293
Member services		**2,225,602**	1,452,306
Administrative and general (Note 1 (k))		**10,345,072**	3,578,046
Depreciation and amortization		**11,616,967**	11,561,393
Decommissioning provision		**3,696,936**	3,219,840
Property and other taxes and insurance		**683,723**	602,289
Other		**356,246**	660,180
Total operating expenses		**95,804,741**	83,955,527
Net operating margin		**6,733,518**	16,853,727
Other revenue:			
Investment income		**13,452,062**	4,549,642
Unrealized gain on investments of Iowa Capital Corporation (Note 1(i))		**3,744,855**	-
Patronage capital allocations		**160,559**	155,680
Miscellaneous income, net		**897,549**	142,049
Total other revenue		**18,255,025**	4,847,371
Net margin before interest charges and income taxes		**24,988,543**	21,701,098
Interest charges:			
Interest on long-term debt		**15,776,534**	16,098,695
Allowance for borrowed funds used during construction		**(230,779)**	(107,635)
Net interest charges		**15,545,755**	15,991,060
Net margin before income taxes		**9,442,788**	5,710,038
Income tax expense (Note 8):			
Current income tax expense		**1,649,728**	-
Deferred income tax expense		**2,275,642**	-
Total income tax expense		**3,925,370**	-
Net margin	$	**5,517,418**	5,710,038

See Accompanying Notes to Consolidated Financial Statements.

CENTRAL IOWA POWER COOPERATIVE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY

Years Ended December 31, 1999 and 1998

	Membership fees	Patronage capital	Accumulated other comprehensive income	Other equities	Total members' equity
Balance at December 31, 1997	$ 1,600	23,090,557	11,511,982	29,820,186	64,424,325
Comprehensive income:					
Net margin	-	-	-	5,710,038	5,710,038
Investments held by Cooperative:					
Unrealized gains arising during the year on securities available-for-sale	-	-	1,520,222	-	1,520,222
Realized gains on securities available-for-sale	-	-	(194,453)	-	(194,453)
Equity method investee's investments:					
Unrealized losses arising during the year on securities available-for-sale	-	-	(186,565)	-	(186,565)
Realized gains on securities available-for-sale	-	-	(123,750)	-	(123,750)
Total comprehensive income	-	-	1,015,454	5,710,038	6,725,492
Patronage capital paid	-	(495,915)	-	-	(495,915)
Patronage capital allocated	-	1,800,000	-	(1,800,000)	-
Return of membership fees	(100)	-	-	-	(100)
Balance at December 31, 1998	1,500	24,394,642	12,527,436	33,730,224	70,653,802
Comprehensive income:					
Net margin	-	-	-	5,517,418	5,517,418
Investments held by Cooperative:					
Unrealized gains arising during the year on securities available-for-sale	-	-	5,741,665	-	5,741,665
Realized gains on securities available-for-sale	-	-	(517,939)	-	(517,939)
Total comprehensive income	-	-	5,223,726	5,517,418	10,741,144
Patronage capital allocated	-	3,800,000	-	(3,800,000)	-
Balance at December 31, 1999	$ 1500	28,194,642	17,751,162	35,447,642	81,394,946

See Accompanying Notes to Consolidated Financial Statements.

CENTRAL IOWA POWER COOPERATIVE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31, 1999 and 1998

		1999	1998
Cash flows from operating activities:			
Net margin	$	**5,517,418**	5,710,038
Adjustments to reconcile net margin to net cash provided by operating activities:			
Depreciation and amortization		**11,891,746**	11,817,221
Amortization of deferred charges		**2,142,856**	1,811,922
Amortization of nuclear fuel		**3,219,843**	3,518,426
Decommissioning provision		**3,696,936**	3,219,840
Patronage capital allocations not received in cash		**(328,820)**	(146,128)
Amortization and write-off of repricing costs		**6,585,665**	396,690
Loss on disposal of investments-decommissioning trust fund and other investments		**6,264,461**	2,913,787
Gain on disposal of investments-decommissioning trust fund and other investments		**(14,955,174)**	(3,108,240)
Unrealized gain on investments of Iowa Capital Corporation		**(3,744,855)**	-
Loss (gain) on disposal of non-utility property		**34,507**	(7,161)
Equity in net income of unconsolidated investees		**(9,082)**	(113,121)
(Increase) decrease in receivables		**(1,394,859)**	1,144,929
(Increase) decrease in fossil fuel, materials and supplies		**(571,578)**	1,083,147
Decrease in prepayments and interest receivable		**428,769**	238,352
Refueling outage and other costs deferred		**(3,313,999)**	(3,546,624)
Increase (decrease) in accounts payable, accrued liabilities, and other liabilities		**969,336**	(1,032,723)
Deferred tax expense		**2,275,642**	-
Other		**(229,820)**	(2,075)
Net cash provided by operating activities		**18,478,992**	23,898,280
Cash flows from investing activities:			
Additions to electric utility plant, net		**(6,513,342)**	(5,445,357)
Additions to non-utility property, net		**(79,200)**	(19,241)
Proceeds from sale of non-utility property		**-**	1,055,999
Purchases of investments-decommissioning trust fund and other investments		**(119,650,440)**	(82,528,211)
Sales of investments-decommissioning trust fund and other investments		**114,169,946**	67,486,562
Interest and dividend income reinvested		**(2,558,980)**	(774,810)
Purchases of nuclear fuel		**(7,183,320)**	(315,860)
Purchase of investments in associated organizations and other organizations		**(510,878)**	(126,579)
Acquisition of Iowa Capital Corporation, net of cash acquired		**976,990**	-
Receipt of prior years' patronage capital allocation		**235,880**	202,367
Sales of investments in associated organizations and other organizations		**(502,079)**	63,814
Decrease in notes receivable		**109,524**	307,990
Net cash used in investing activities		**(21,505,899)**	(20,093,326)
Cash flows from financing activities:			
Principal payments on long-term debt		**(10,279,505)**	(9,521,078)
Principal payments on notes payable		**(5,000,000)**	(10,000,000)
Proceeds from notes payable borrowings		**5,000,000**	10,000,000
Proceeds from long-term borrowings		**1,652,936**	12,630,000
Patronage capital paid and membership fees returned		**-**	(496,015)
Net cash (used in) provided by financing activities		**(8,626,569)**	2,612,907
Net (decrease) increase in cash and cash equivalents		**(11,653,476)**	6,417,861
Cash and cash equivalents at beginning of year		**31,721,259**	25,303,398
Cash and cash equivalents at end of year	$	**20,067,783**	31,721,259
Supplemental disclosure of cash flow information:			
Cash payments for interest	$	**15,203,636**	15,489,569
Supplemental disclosure of non-cash activities:			
Receivables entered into on the sale of non-utility property	$	**-**	10,000
Long-term debt assumed in exchange for note receivable		**568,059**	475,405

See Accompanying Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1999 and 1998

Note 1: Summary of Significant Accounting Policies

(a) Basis of Accounting

The consolidated financial statements include the accounts of Central Iowa Power Cooperative (the Cooperative) and its majority owned subsidiaries, Central Iowa Energy Cooperative (CIECO) and in 1999 Iowa Capital Corporation (ICC). The Cooperative is an electric generation and transmission cooperative providing wholesale electric service to its 14 members. CIECO invests in joint ventures primarily with members of the Cooperative. ICC is an investment company incorporated for the purpose of advancing economic development in the state of Iowa. All significant intercompany balances and transactions have been eliminated in consolidation.

The accounting records of the Cooperative are maintained in accordance with the Uniform System of Accounts prescribed by the Rural Utilities Service (RUS). The Cooperative is not subject to external regulation other than by the RUS.

Distribution of margins of the Cooperative, CIECO and ICC (collectively, the Company) are made in accordance with the provisions of the Code of Iowa.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) Electric Utility Plant

Depreciation of electric utility plant in service is provided over the estimated useful lives of the respective assets on the straight-line basis. Maintenance and repair of property and replacement and renewal of items determined to be less than units of property are charged to expense. Replacement and renewal of items considered to be units of property are charged to the property accounts. At the time properties are disposed of, the original cost, plus cost of removal less salvage of such property, is charged to accumulated depreciation.

(d) Nuclear Decommissioning

Based upon the Nuclear Regulatory Commission (NRC) DECON option (which provides for the removal or decontamination of all equipment and structures necessary to permit release of the property for unrestricted use), the Cooperative's share of the costs to decommission the Duane Arnold Energy Center (DAEC) is estimated at $100.4 million in 1998 dollars. The Cooperative includes a provision for disposal of spent fuel in its nuclear fuel expense.

The NRC minimum formula estimate is being used as the basis for decommissioning funding. For purposes of developing a decommissioning funding plan, the Cooperative assumes decommissioning costs will escalate at an annual rate of 5 percent and the average return on investments will be approximately 12 percent. The funding plan assumes decommissioning will start in 2014, the anticipated plant shutdown date. The decommissioning costs are being recognized over the expected service life of the plant and are included in the Cooperative's service rates. At December 31, 1999, the Cooperative has $19,912,151 in investments set aside for decommissioning in a legally restricted external trust fund and has also designated $5,357,512 of other investments for decommissioning.

(e) Non-utility Property

Non-utility property is carried at cost less accumulated depreciation. Depreciation is computed by the straight-line method over the estimated useful lives of the respective assets, which range from 5 to 10 years for equipment.

(f) Allowance for Funds Used During Construction

The allowance for funds used during construction represents the estimated cost, during the period of construction, of borrowed funds used for construction purposes. The composite rates used to calculate the allowance for 1999 and 1998 were approximately 6.6 percent and 6.7 percent, respectively.

(g) Nuclear Fuel

The cost of nuclear fuel, including capitalized interest and taxes, is being amortized to fuel expense on the basis of the number of units of thermal energy produced in relationship to the total thermal units expected to be produced over the life of the fuel. Nuclear fuel expense includes a provision for estimated spent nuclear fuel disposal cost which is being collected currently from members.

(h) Fossil Fuel, Materials and Supplies

Fossil fuel, materials and supplies are stated at moving average cost.

(i) Investments and Notes Receivable

Investments in associated organizations consist primarily of approximately $5,413,000 in capital term certificates issued by National Rural Utilities Cooperative Finance Corporation (CFC) and memberships in other cooperatives. These investments are stated at cost, adjusted for patronage capital allocations.

Investments in other organizations consist primarily of investments in private equity funds which are accounted for using the cost method.

Investments - decommissioning trust fund is a legally restricted external trust fund and consists primarily of U.S. Treasury notes, other bonds and notes, common and preferred stock and money market funds, which are carried at market value with net unrealized gains and losses reported in members' equity until realized.

Other investments consist primarily of U.S. Treasury notes, other bonds and notes, common and preferred stock and money market funds which are carried at market value with net unrealized gains and losses reported in members' equity until realized. Also included in other investments are ICC's investments in common stock which are carried at market value or estimated fair value, with unrealized gains and losses reported in the statement of revenue and expenses in accordance with generally accepted accounting principles for investment companies.

Notes receivable from an affiliated joint venture bear interest at 6.80 percent to 8.80 percent, and are due in quarterly installments of $69,000 including interest through 2020.

Notes receivable - other includes a non-interest bearing note with a balance of $1,000,000 with annual installments of $100,000 through 2009. The note was discounted using a 6.55 percent interest rate. Also included is a note receivable of $250,000 which bears interest at 3.00 percent, and is due in monthly installments of $826 through 2023.

(j) Pension Plan

The Company's policy is to fund pension costs accrued.

(k) Deferred Charges

Deferred charges consist principally of a special assessment established by the Energy Policy Act of 1992 for decontamination and decommissioning of the Department of Energy enrichment facilities and repricing costs incurred to obtain lower interest rates on long-term debt. The special assessment costs are being recovered through rates over 15 years ending in 2007. The repricing costs were being amortized over 17-21 years until 1999, when the Cooperative received RUS approval to expense the remaining asset of approximately $6.2 million (included in administrative and general expenses in accordance with RUS's approval.) The amount of these costs to be amortized in 2000 has been reflected as a current asset on the balance sheet.

(l) Cash Equivalents

Cash equivalents of $16,509,102 and $29,074,940 at December 31, 1999 and 1998, respectively, consist primarily of CFC commercial paper. For purposes of the statements of cash flows, the Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

(m) Comprehensive Income

On January 1, 1998, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 130, "Reporting Comprehensive Income." SFAS No. 130 established standards for reporting and presentation of comprehensive income and its components in a full set of financial statements. Comprehensive income consists of net income and net unrealized gains (losses) on securities and is presented in the consolidated statements of members' equity. SFAS No. 130 requires only additional disclosures in the financial statements; it does not affect the Company's financial position or results of operations.

(n) Impairment of Long-Lived Assets and Long-Lived Assets to Be Disposed Of

The Company adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 121, *Accounting for Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of,* on January 1, 1997. This Statement requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

(o) Fair Value of Financial Instruments

Fair value estimates, methods, and assumptions are set forth below.

Cash and Cash Equivalents, Accounts and Other Receivables, Interest Receivable, and Accounts Payable

The carrying amount approximates fair value because of the short-term nature of these instruments.

Investments and Notes Receivable

It was not practicable to estimate the fair value of investments in associated and other organizations. The investments in associated organizations are carried at their original cost, adjusted for patronage capital allocations. The untraded capital term certificates currently bear interest at 3 percent to 5 percent and primarily mature in 2020 through 2080. The patronage capital allocations are noninterest-bearing and mature based upon the granting cooperatives' policies. The investments in untraded other organizations are accounted for on the equity method.

The fair value of investments-decommissioning trust fund and other investments are based on quoted market prices published in financial newspapers or quotations received from securities dealers. At December 31, 1999, the estimated fair value of investments-decommissioning trust fund and other investments were $19,912,151 and $87,808,090, respectively. The carrying value of the notes receivable approximates the fair value.

Long-Term Debt

The fair value of long-term debt is calculated by discounting scheduled cash flows through maturity using estimated market discount rates. The discount rate is estimated using the rates currently offered for long-term debt of similar remaining maturities. At December 31, 1999, the Company estimated the fair value of its long-term debt as $232,000,000.

Limitations

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. Because no market exists for a portion of the Company's financial instruments, fair value estimates are based on judgments regarding current economic conditions, risk characteristics of various financial instruments, and other factors. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Note 2: Electric Utility Plant in Service

The major classes of electric utility plant in service at December 31, 1999 and 1998 and depreciation and amortization for 1999 and 1998 are as follows:

	Cost		Depreciation and amortization		Composite rates
	1999	1998	**1999**	1998	%
Intangible plant	$ **1,564,277**	1,562,078	**27,644**	24,379	4.00
Production plant	**239,812,505**	239,994,935	**7,976,453**	7,930,255	3.10-3.50
Transmission plant	**126,509,059**	124,107,164	**3,256,153**	3,482,414	2.75
Distribution plant	**454,256**	454,256	**12,914**	12,914	2.75
General plant	**8,245,122**	7,924,120	**580,803**	246,379	3.00-16.00
Electric utility plant in service	$ **376,585,219**	374,042,553	**11,853,967**	11,696,341	

Note 3: Non-utility Property

At December 31, 1999, and 1998, non-utility property consists of the following:

	1999	1998
Equipment	$ **690,404**	686,116
Other property	**479,195**	478,620
	$ **1,169,599**	1,164,736

Note 4: Investments

At December 31, 1999 and 1998, investments-decommissioning trust fund and other investments were classified as available-for-sale and consisted of the following:

	Decommissioning Trust Fund				Other Investments			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
1999								
U.S. Treasury notes	$ 1,693,694	825	39,308	1,655,211	-	-	-	-
Other bonds and notes	2,088,274	1,659	96,063	1,993,870	31,569,593	2,203,244	2,023,232	31,749,605
Common and preferred stock*	9,960,180	4,996,930	318,861	14,638,249	29,103,271	28,250,206	1,870,701	55,482,776
Money market funds and other	1,624,821	-	-	1,624,821	575,709	-	-	575,709
Totals	$15,366,969	4,999,414	454,232	19,912,151	61,248,573	30,453,450	3,893,933	87,808,090
1998								
U.S. Treasury notes	$ 1,293,794	61,231	1,038	1,353,987	2,874,849	125,151	-	3,000,000
Other bonds and notes	2,071,517	42,899	6,103	2,108,313	27,538,436	274,143	214,679	27,597,900
Common stock	7,872,274	4,450,593	68,348	12,254,519	17,031,197	10,301,106	1,056,049	26,276,254
Money market funds and other	991,899	-	-	991,899	1,263,199	-	-	1,263,199
Totals	$12,229,484	4,554,723	75,489	16,708,718	48,707,681	10,700,400	1,270,728	58,137,353

*Other investments at December 31, 1999 includes ICC's investment in common stock with a market value of approximately $9,396,000; approximately $3,745,000 of ICC's unrealized gains have been included in the Statement of Revenue and Expenses in accordance with generally accepted accounting principles for investment companies.

Note 5: Other Equities

At December 31, 1999, and 1998, other equities consist of the following:

	1999	1998
Unallocated margin	$ **5,517,418**	5,710,038
Reserve for contingent losses	**22,852,059**	21,442,021
Surplus	**7,078,165**	6,578,165
	$ **35,447,642**	33,730,224

The reserve for contingent losses is a discretionary reserve established by the Company for unexpected future losses.

Note 6: Long-term Debt

At December 31, 1999, and 1998, long-term debt consists of the following:

	1999	1998
RUS, 2% and 5% mortgage notes payable, due in quarterly installments approximating $1,693,000 adjusted quarterly, including interest, maturing through June 2019	**$ 63,130,998**	66,723,680
Federal Financing Bank (FFB), 5.418% to 10.584% mortgage notes payable, guaranteed by the RUS, due in quarterly installments approximating $3,784,000, including interest, maturing from December 2010 through 2029	**148,926,851**	153,609,920
CFC, 5.25% to 6.05% mortgage notes payable, due in quarterly installments approximating $518,000 , including interest, maturing from March 2007, through May 2031	**20,549,487**	21,505,504
CFC, variable interest rate (6.85% at December 31, 1999) notes payable, due in quarterly installments approximating $191,000 adjusted quarterly, including interest, maturing from December 2006 through 2031	**6,232,238**	5,540,863
Cooperative members, variable interest rate (6.60% at December 31, 1999) unsecured notes payable, due in quarterly installments approximating $10,000, including interest, maturing on December 31, 2005	**201,132**	460,357
City of Council Bluffs, Iowa 6.125% Pollution Control Revenue Bonds guaranteed by CFC, due in semi-annual installments ranging from $70,000 to $110,000, maturing on December 1, 2007	**1,450,000**	1,585,000
Louisa County, Iowa, 4.35% - 4.65% Pollution Control Revenue Bonds guaranteed by CFC, due in annual installments ranging from $270,000 to $305,000, maturing on December 15, 2003	**1,150,000**	1,410,000
National Cooperative Services Corporation, 6.80% to 8.0% mortgage notes payable, due in quarterly installments approximating $69,000, including interest, maturing through 2020	**1,541,747**	1,584,469
Other	**979,771**	369,000
Total long-term debt	**244,162,224**	252,788,793
Less current maturities	**10,744,980**	10,205,000
Total long-term debt, less current maturities	**$ 233,417,244**	242,583,793

The aggregate maturities of long-term debt for each of the five years subsequent to December 31, 1999 are as follows: 2000, $10,744,980; 2001, $11,301,276; 2002, $11,896,631; 2003, $12,537,269; and 2004, $12,898,861.

At December 31, 1999, the Cooperative had available a $10,000,000 short-term line of credit agreement with CFC and approximately $18,476,535 of unadvanced funds available for various construction projects. At December 31, 1999 and 1998 there were no borrowings standing under the line of credit agreement.

All assets of the Company are pledged to secure the long-term debt to RUS, FFB and CFC.

Note 7: Pension Plan

The Company participates in a multi-employer pension plan which covers substantially all employees. The accumulated plan benefits and net assets of the plan are not determined or allocated separately by individual employer. Pension expense for the years ended December 31, 1999 and 1998 amounted to $441,000 and $316,000, respectively.

Note 8: Income Tax Status

The Cooperative is a nonprofit corporation under the laws of Iowa and is exempt from federal and state income taxes under applicable tax laws.

CIECO is organized as a taxable cooperative under the laws of Iowa and ICC is a for-profit corporation under the laws of Iowa.

For the year ended December 31, 1998, there was no current or deferred tax expense recognized in the consolidated statement of revenue and expenses due to the utilization of CIECO net operating loss carryforwards.

Deferred tax assets and liabilities related to temporary differences between the financial statement bases and income tax bases of assets and liabilities at December 31, 1999 and 1998 are as follows:

	1999	1998
Deferred tax assets:		
Net operating loss carryforwards	$ -	1,011,000
Less valuation allowance	-	1,001,000
Net deferred tax assets	-	10,000
Deferred tax liability:		
Depreciation	-	10,000
Financial statement gain on transfer of investment	**777,700**	-
Unrealized gains in market value of investments	**10,924,090**	3,430,340
Total deferred tax liability	**11,701,790**	3,440,340
Net deferred tax liability	**$ 11,701,790**	3,430,340

At December 31, 1999 and 1998, CIECO had established a deferred tax liability of $8,677,790 and $3,430,340, respectively against the unrealized gain in market value of investments recorded in accumulated other comprehensive income.

Income taxes for 1999 differ from the expense completed using the statutory rate as follows:

Income taxes at the statutory rate	$3,210,548
State taxes, net of federal benefit	665,228
Loss of the Cooperative - tax exempt	1,006,153
Net operating loss carryforward of CIECO	(901,173)
Other	(55,386)
	$3,925,370

Note 9: Jointly owned Electric Utility Plant

The Cooperative's share of jointly owned generating facilities as of December 31, 1999, is reflected in the following table. These facilities provide approximately 50% of the Cooperative's total generating capacity. The Cooperative is required to provide financing for its share of the units. The Cooperative's share of expenses associated with these units is included with the appropriate operating expenses in the statements of revenue and expenses. The following table provides the net balance recorded in the Electric-Utility Plant by facility, at December 31, 1999.

Facility	Percentage Ownership	Capacity MW	Electric Utility Plant, Net
DAEC	20.0%	107	$ 65,680,585
Council Bluffs Unit No. 3	11.5%	78	19,592,775
Louisa Generating Station	4.6%	32	15,715,869

Note 10: Commitments and Contingent Liabilities

During 1999, the Cooperative paid $1,000,000 to purchase all the outstanding common stock of ICC. The final purchase price for ICC is based on the value of ICC at December 31, 1999. The Cooperative estimates approximately $800,000 will be paid in 2000 as the final purchase price adjustment.

The Cooperative's operations and activities with respect to its coal-fired facilities are subject to developing environmental legislation and regulations by Federal and State authorities. Recent amendments to the Federal Clean Air Act require utilities, including the Cooperative, to comply with more restrictive emissions standards commencing in 1996. The Cooperative is recovering any increased costs resulting from compliance with the environmental legislation through increased rates.

The Price-Anderson Amendments Act of 1988 (1988 Act) sets a statutory limit of $9.5 billion for liability to the public for a single nuclear power plant incident and requires nuclear power plant operators to provide financial protection for this amount. The DAEC provides this financial protection through a combination of $200 million of insurance and $9.3 billion of industry-wide retrospective payment plans. Under the industry-wide plans, DAEC could be assessed a maximum of $88.1 million per nuclear incident, with a maximum of $10 million per year (of which the Cooperative's 20 percent ownership portion would be $17.6 million and $2 million, respectively), if losses relating to the accidents exceeded $200 million.

The Cooperative, as 20 percent owner of DAEC is a member of Nuclear Electric Insurance Limited (NEIL). NEIL provides $540 million of insurance coverage for the Cooperative on certain property damage, decontamination and premature decommissioning. The proceeds from this insurance, however, must first be used for reactor stabilization and site decontamination before the insurance can be used for plant repair and premature decommissioning. NEIL further provides separate coverage for additional expense incurred during certain outages. Owners of nuclear generating stations insured through NEIL are subject to retroactive premium adjustments if losses exceed accummulated reserve funds. NEIL's accummulated reserve funds are currently sufficient to cover its exposure in the event of a single incident under the primary and excess property damage or additional expense coverages. However, the Cooperative could be assessed annually a maximum of $0.54 million for NEIL primary property, $0.9 million for NEIL excess property and $0.14 million for NEIL additional expenses if losses exceed the accumulated reserve funds. The Cooperative is not aware of any losses that they believe are likely to result in an assessment.

In the unlikely event of a catastrophic loss at DAEC, the amount of insurance available may not be adequate to cover property damage, decontamination and premature decommissioning. Uninsured losses, to the extent not recovered through rates, would be borne by the DAEC owners and could have a material adverse effect on the Company's financial position and results of operations.

CENTRAL IOWA POWER COOPERATIVE AND SUBSIDIARIES

TEN YEAR FINANCIAL SUMMARY

Unaudited

		1999	1998	1997
SUMMARY OF OPERATIONS				
Operating revenue	$	**102,538,259**	100,809,254	91,200,299
Operating expenses and interest:				
Purchased power		**21,381,342**	16,789,263	12,844,702
Operations, maintenance and other		**45,855,099**	46,752,390	45,026,208
Member services		**2,225,602**	1,452,306	1,344,865
Administrative and general[2]		**10,345,072**	3,578,046	3,709,180
Depreciation and amortization		**11,616,967**	11,561,393	11,757,936
Decommissioning provision		**3,696,936**	3,219,840	2,476,040
Property and other taxes and insurance		**683,723**	602,289	664,729
Net interest charges		**15,545,755**	15,991,060	15,218,091
Total operating expenses and interest		**111,350,496**	99,946,587	93,041,751
Operating margin		**(8,812,237)**	862,667	(1,841,452)
Other revenue		**18,255,025**	4,847,371	6,855,843
Income taxes (current and deferred)		**3,925,370**	-	-
Net margin	$	**5,517,418**	5,710,038	5,014,391
ASSETS				
Electric utility plant	$	**460,595,676**	448,048,533	444,800,113
Less accumulated depreciation and amortization		**251,357,632**	237,433,340	224,256,871
Net electric utility plant		**209,238,044**	210,615,193	220,543,242
Net non-utility plant, investments, and notes receivable		**125,406,557**	93,530,915	76,809,728
Current assets		**38,775,134**	48,216,714	42,677,841
Deferred charges		**2,006,332**	8,417,290	8,809,531
Total assets	$	**375,426,067**	360,780,112	348,840,342
CAPITALIZATION AND LIABILITIES				
Members' equity	$	**81,394,946**	70,653,802	64,424,325
Long-term debt		**233,417,244**	242,583,793	239,854,400
Current liabilities		**21,553,988**	20,223,123	20,400,913
Decommissioning reserves		**25,269,663**	21,572,727	18,352,887
Special assessment and other liabilities		**13,790,226**	5,746,667	5,807,817
Total capitalization and liabilities	$	**375,426,067**	360,780,112	348,840,342

(1) Not restated to reflect consolidation of majority owned subsidiary, CIECO.
(2) Beginning in 1994, certain salaries, benefits, and other costs previously classified as administrative and general have been reclassified as member services or operations, maintenance and other to be more reflective of the services provided. Years 1993 through 1990 have not been reclassified on a comparative basis as it was not practical. In 1999, approximately $6.2 million relates to debt repricing costs written off in accordance with RUS' approval.

1996	1995	1994	1993	1992	1991(1)	1990(1)
91,732,592	89,037,508	85,028,734	85,785,058	82,376,927	80,491,877	75,817,988
8,519,525	6,606,936	6,118,306	9,492,228	6,238,944	5,093,377	6,994,000
47,860,033	50,991,054	48,633,354	43,099,230	43,664,579	44,075,995	38,829,499
1,214,659	1,420,792	1,082,301	1,086,483	728,473	691,385	549,161
3,134,472	2,936,127	3,039,463	3,795,594	4,404,458	3,629,407	3,221,043
11,476,590	10,449,639	11,375,564	10,799,746	10,205,712	9,398,207	10,788,846
2,132,340	1,824,330	1,594,812	1,770,725	1,204,770	1,009,870	1,725,699
678,479	756,618	113,741	102,099	109,298	459,102	606,570
14,470,081	14,786,377	14,097,906	15,061,130	15,482,054	15,453,492	15,237,629
89,486,179	89,771,873	86,055,447	85,207,235	82,038,288	79,810,835	77,952,447
2,246,413	(734,365)	(1,026,713)	577,823	338,639	681,042	(2,134,459)
4,220,667	3,043,818	2,936,268	1,887,856	2,000,743	2,090,006	4,098,528
-	-	-	-	-	-	-
6,467,080	2,309,453	1,909,555	2,465,679	2,339,382	2,771,048	1,964,069
435,847,094	413,216,505	397,021,724	384,457,411	371,882,103	361,894,125	348,703,621
209,131,696	194,007,022	180,772,357	168,641,832	156,930,198	145,171,769	133,099,805
226,715,398	219,209,483	216,249,367	215,815,579	214,951,905	216,722,356	215,603,816
54,619,045	36,957,633	33,248,839	30,267,892	28,352,028	23,142,382	18,448,543
42,287,705	51,290,287	37,169,726	36,184,307	18,749,147	19,900,184	23,024,779
9,342,892	9,803,040	11,001,268	6,442,156	5,197,969	3,986,348	5,012,018
332,965,040	317,260,443	297,669,200	288,709,934	267,251,049	263,751,270	262,089,156
56,870,129	43,282,394	39,465,790	37,745,673	35,279,994	33,418,329	30,707,281
231,480,716	235,124,252	221,732,790	215,429,551	202,507,475	204,381,424	209,197,377
22,993,410	22,346,204	21,758,749	22,728,477	18,411,229	18,601,647	15,904,498
15,876,847	13,744,507	11,920,177	10,325,365	8,554,640	7,349,870	6,280,000
5,743,938	2,763,086	2,791,694	2,480,868	2,497,711	-	-
332,965,040	317,260,443	297,669,200	288,709,934	267,251,049	263,751,270	262,089,156

CENTRAL IOWA POWER COOPERATIVE AND SUBSIDIARIES

MEMBER COOPERATIVE OPERATING STATISTICS

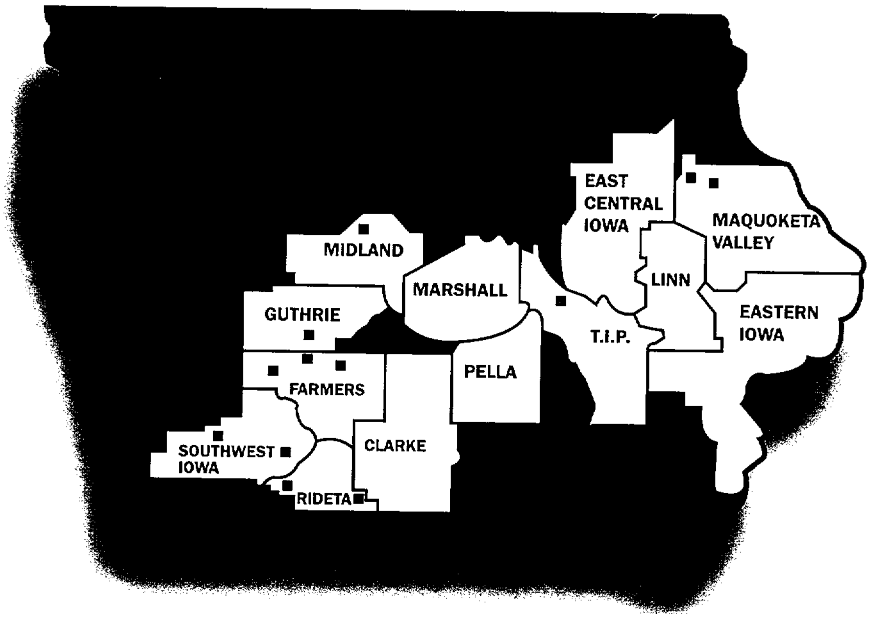
Unaudited

	Clarke	East-Central	Eastern	Farmers	Guthrie
SUMMARY OF OPERATIONS:					
Operating Revenue	$ 6,219,758	11,643,132	42,682,146	7,621,168	6,221,793
Purchased Power	3,083,635	6,957,209	32,795,040	4,566,452	3,524,113
Operating Expenses	1,955,842	2,610,810	5,402,929	1,704,260	1,422,715
Depreciation	492,664	762,380	1,936,892	495,980	358,014
Tax Expense	-	11,599	-	-	5,868
Interest Expense	563,650	767,254	1,247,794	541,182	435,684
Total Cost - Electric Service	6,095,791	11,109,252	41,382,655	7,307,874	5,746,394
Operating Margins	123,967	533,880	1,299,491	313,294	475,399
Non-operating Margins & Capital Credits	182,685	431,325	735,746	139,682	96,724
Margins	$ 306,652	965,205	2,035,237	452,976	572,123
ASSETS AND OTHER DEBITS:					
Total Utility Plant	$ 19,950,759	28,654,566	71,270,734	19,300,312	14,184,275
Accumulated Depreciation & Amortization	6,953,473	7,442,029	21,866,440	5,260,120	5,837,147
Net Utility Plant	12,997,286	21,212,537	49,404,294	14,040,192	8,347,128
Property & Investments	1,787,734	4,254,032	8,401,286	3,328,856	2,569,076
Current & Accrued Assets	2,391,801	3,004,938	9,863,574	2,160,560	2,784,295
Deferred Debits	4,773	780,974	71,162	21,771	-
Total Assets & Other Debits	$ 17,181,594	29,252,481	67,740,316	19,551,379	13,700,499
LIABILITIES AND OTHER CREDITS:					
Margins & Equities	$ 5,776,973	14,027,227	34,967,360	7,398,609	5,745,640
Long Term Debt	10,584,702	13,541,628	28,226,260	10,770,881	6,725,712
Current & Accrued Liabilities	740,872	1,470,015	4,019,715	1,136,909	790,712
Deferred Credits & Misc. Oper.	79,047	213,611	526,981	244,980	438,435
Total Liabilities & Other Credits	$ 17,181,594	29,252,481	67,740,316	19,551,379	13,700,499
OTHER STATISTICS:					
Miles of Line	1,780	2,199	4,565	1,781	1,374
Consumers Served	4,634	7,574	21,098	4,600	4,341
Consumers Per Mile	2.6	3.4	4.6	2.6	3.2
kWhs Sold per Consumer	13,560	19,489	43,558	22,531	17,929
MWh Sales	62,835	147,608	918,987	103,644	77,829
Annual Revenue per Consumer	$1,342	$1,537	$2,023	$1,657	$1,433
Plant Investment per Consumer	$4,305	$3,783	$3,378	$4,196	$3,268

*This data represents the combined service territories of Greene County REC and Hardin County REC.

Linn	Maquoketa	Marshall	Midland*	Pella	Rideta	SWISCO	T. I. P.	Total
18,069,587	16,902,920	6,147,018	15,676,651	3,789,868	3,495,555	4,346,396	8,609,969	151,425,961
11,241,612	11,123,655	3,577,887	9,193,367	2,186,890	1,748,362	2,272,037	5,075,109	97,345,368
3,760,735	3,496,255	1,489,746	3,051,732	820,728	978,346	1,381,753	1,943,089	30,018,940
901,124	978,016	401,341	1,242,543	169,763	352,260	336,078	479,060	8,906,115
453,716	376,863	206,739	14,669	122,198	3,491	4,225	176,771	1,376,139
1,581,653	752,533	343,186	1,056,679	196,221	331,550	325,303	700,956	8,843,645
17,938,840	16,727,322	6,018,899	14,558,990	3,495,800	3,414,009	4,319,396	8,374,985	146,490,207
130,747	175,598	128,119	1,117,661	294,068	81,546	27,000	234,984	4,935,754
387,646	585,875	170,947	382,225	137,352	140,777	133,494	543,857	4,068,335
518,393	761,473	299,066	1,499,886	431,420	222,323	160,494	778,841	9,004,089
41,741,877	35,854,726	14,171,454	39,632,510	7,695,542	11,776,364	12,115,669	19,016,980	335,365,768
7,661,328	13,745,323	5,058,202	11,358,964	2,597,889	3,619,455	4,235,307	5,650,064	101,285,741
34,080,549	22,109,403	9,113,252	28,273,546	5,097,653	8,156,909	7,880,362	13,366,916	234,080,027
4,576,567	6,132,386	1,791,419	4,381,413	1,187,625	1,217,505	1,730,902	2,685,290	44,044,091
3,145,749	4,306,583	1,459,868	4,892,597	1,252,109	1,285,770	1,011,485	7,287,117	44,846,446
(166,889)	21,202	13,841	35,378	5,667	12,632	21,453	7,159	829,123
41,635,976	32,569,574	12,378,380	37,582,934	7,543,054	10,672,816	10,644,202	23,346,482	323,799,687
10,070,114	16,319,338	5,363,452	15,914,249	3,760,809	3,360,049	3,886,377	10,860,335	137,450,532
23,651,630	14,199,490	6,377,172	20,088,445	3,184,230	6,848,456	6,232,308	11,038,795	161,469,709
7,078,232	1,622,119	632,580	1,538,323	363,645	349,318	483,902	928,355	21,154,697
836,000	428,627	5,176	41,917	234,370	114,993	41,615	518,997	3,724,749
41,635,976	32,569,574	12,378,380	37,582,934	7,543,054	10,672,816	10,644,202	23,346,482	323,799,687
1,838	3,058	1,096	2,821	607	1,213	1,367	1,742	25,441
15,236	12,799	4,529	8,561	2,424	2,643	3,045	5,651	97,135
8.3	4.2	4.1	3.0	4.0	2.2	2.2	3.2	3.8
14,899	17,149	15,661	24,163	18,969	14,436	15,258	18,831	23,392
226,996	219,493	70,927	206,857	45,982	38,154	46,460	106,414	2,272,186
$1,186	$1,321	$1,357	$1,831	$1,563	$1,323	$1,427	$1,524	$1,559
$2,740	$2,801	$3,129	$4,629	$3,175	$4,456	$3,979	$3,365	$3,453

DISTRIBUTION AREAS



Clarke Electric Cooperative, Inc.
Osceola

East-Central Iowa Rural Electric Cooperative
Urbana

Eastern Iowa Light and Power Cooperative
Wilton

Farmers Electric Cooperative, Inc.
Greenfield

Guthrie County Rural Electric Cooperative
Guthrie Center

Linn County Rural Electric Cooperative
Marion

Maquoketa Valley Electric Cooperative
Anamosa

Marshall County Rural Electric Cooperative
Marshalltown

Midland Power Cooperative
Jefferson

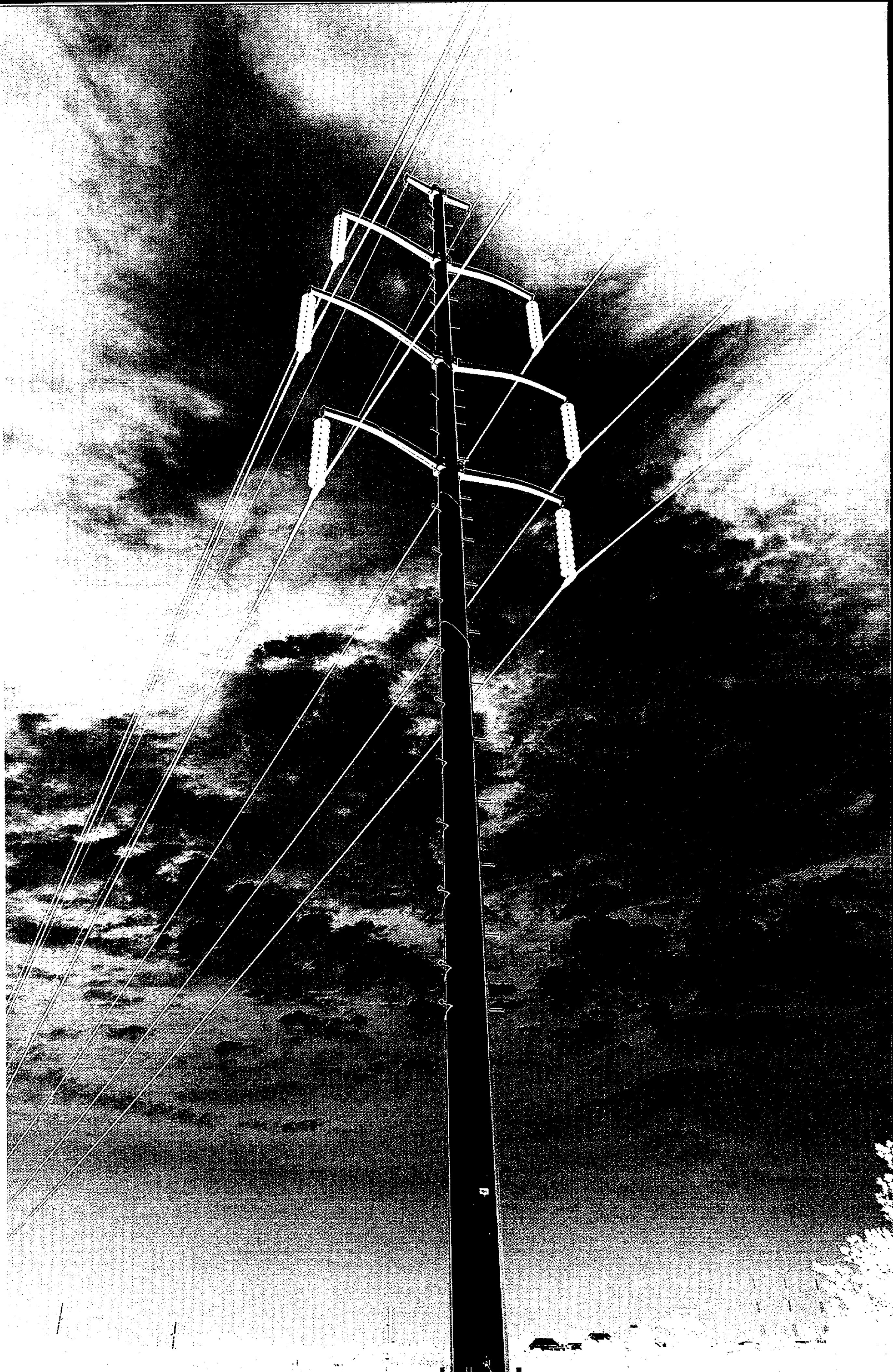
Pella Cooperative Electric Association
Pella

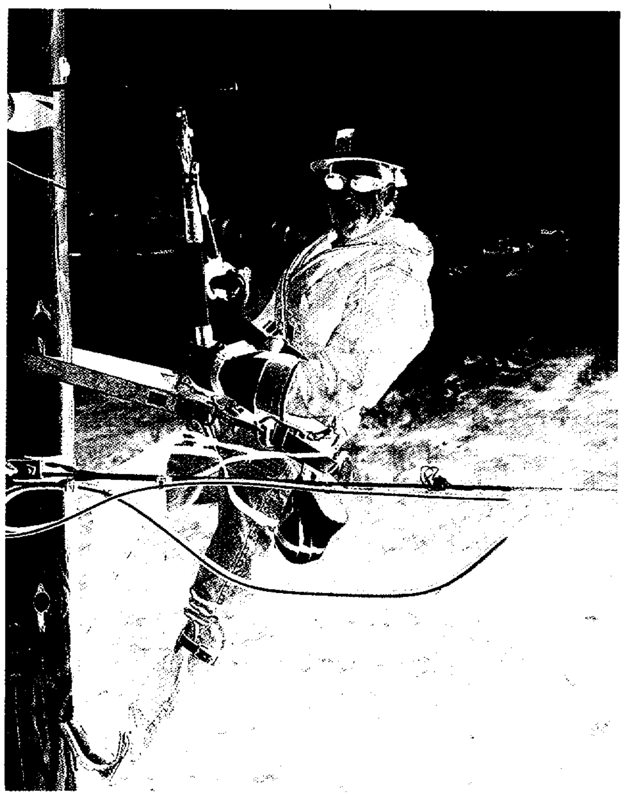
Rideta Electric Cooperative, Inc.
Mount Ayr

South Iowa Municipal Electric Cooperative Association (SIMECA)
Brooklyn, Cascade, Corning, Earlville, Fontanelle, Gowrie, Greenfield, Lamoni, Lenox, Stuart, Villisca, Winterset

Southwest Iowa Service Cooperative (SWISCO)
Corning

T.I.P. Rural Electric Cooperative
Brooklyn





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