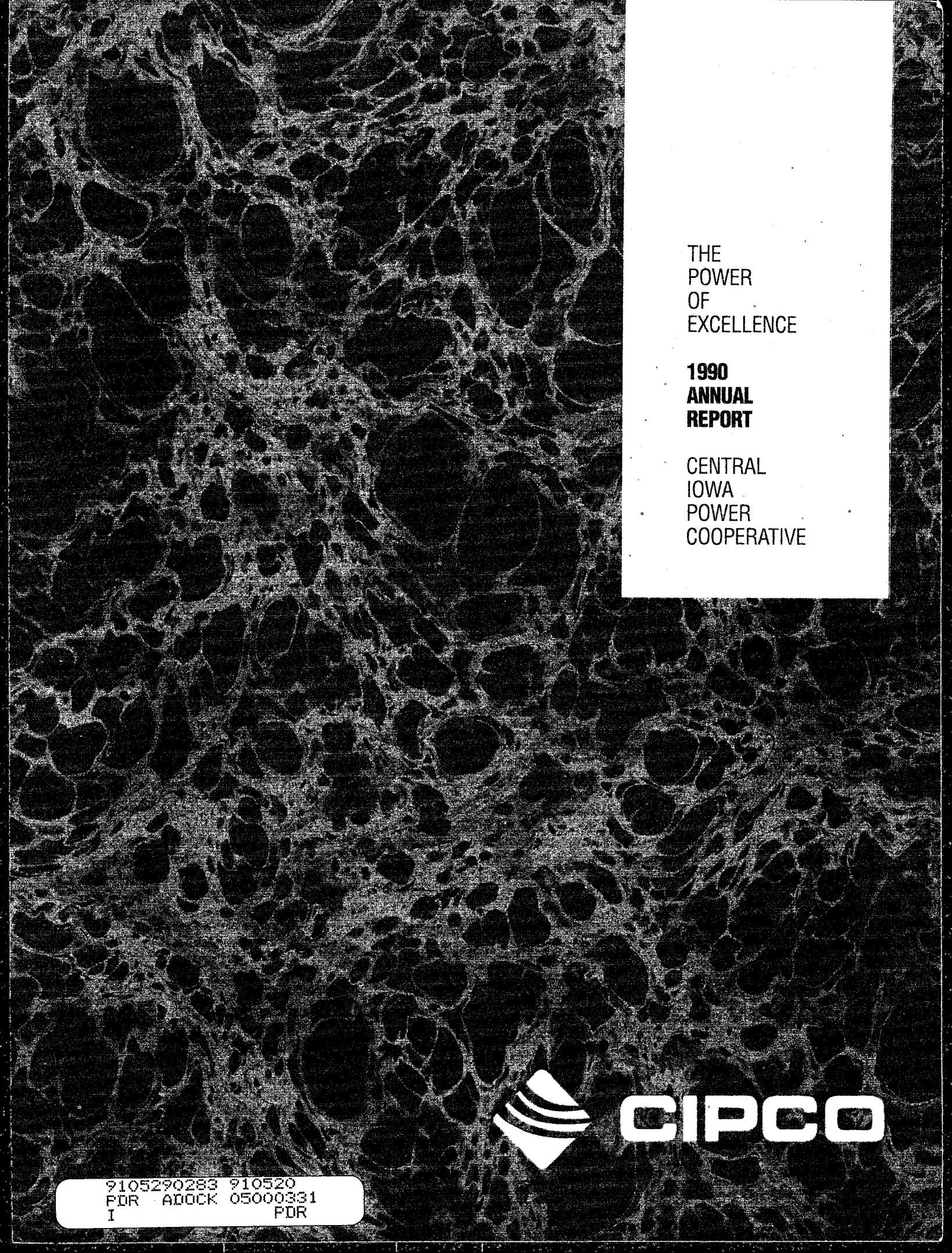


THE
POWER
OF
EXCELLENCE

1990
ANNUAL
REPORT

CENTRAL
IOWA
POWER
COOPERATIVE

CIPCO

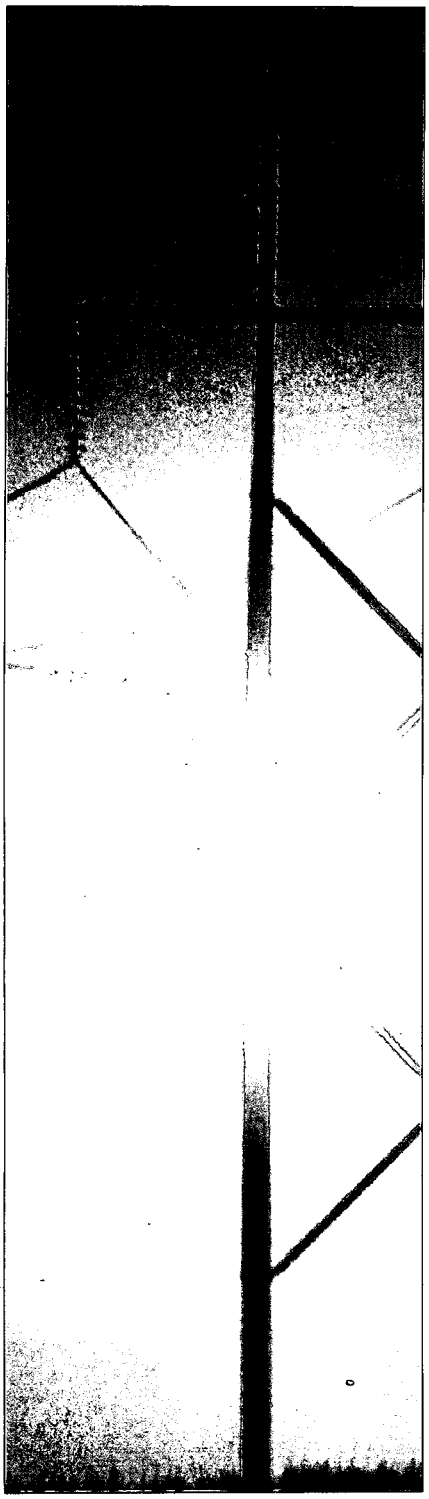
Dedication

John Staschke

May 1, 1953 - January 13, 1991

Perpetually positive, continually compassionate, and endlessly encouraging, he was an inspiration to all.

His office is empty . . . his computer is quiet . . . his humor is silenced . . . but his spirit lives on in the hearts of all who knew him ◆



ntroduction

Central Iowa Power Cooperative (CIPCO) is an electric generation and transmission cooperative supplying the wholesale electric needs of 15 rural electric cooperatives and one municipal cooperative in the state of Iowa. The service territory of the CIPCO Systems stretches 300 miles diagonally across the state from Dubuque on the Mississippi River to Shenandoah and the Missouri border on the south, ultimately supporting the electric needs of over 250,000 Iowans.

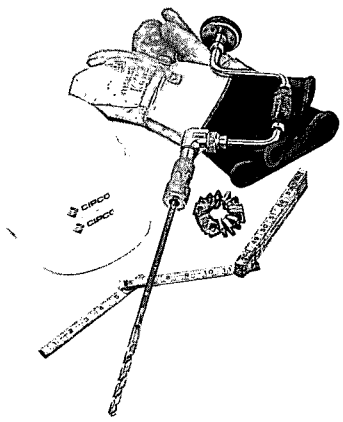
Central Iowa Power Cooperative is committed to providing **Service Excellence** to the CIPCO Systems at **Stabilized Rates** through the proficiency of its **People and Systems**.

A word from the President

As this is being written, our country is at war in the Middle East. This conflict occupies our thoughts as the news media keeps us current with hourly updates. Many of us remember what war means, none of which is good. It also causes us to look at ourselves and our associations for ways to improve our communications. Working together in harmony closes the door to conflict and keeps the spirit of cooperation alive. As CIPCO and the member distribution cooperatives move into the future, this spirit will bring success ◇

CIPCO has introduced new programs and services to address the members' needs. Many committee meetings of directors and managers have been held this past year. We are seeking input, leadership and understanding and are looking for ways for all to contribute to the progress of the cooperatives. We always have the members in mind as we plan for the future ◇

James Wenstrand, President



Accomplishments have been made this year in amending and combining long-term contracts with other utilities in the state. Power agreements with other investor-owned utilities vital to CIPCO's continued provision of reliable and economical energy to its members.

A series of regional meetings for member systems' boards of directors and employees was held. These meetings were beneficial for the exchange of information between distribution cooperatives and CIPCO, and will be continued on a regular basis as long as there is an interest by the member systems.

CIPCO seeks to provide quality of service to the membership, while stabilizing costs. The CIPCO board continues to support the new-to-replace-old program which was given more attention as outages grew. Reports verify that rebuilding and other preventive maintenance programs are worthwhile and improve reliability of service. CIPCO has used general funds to pay for these programs as a loan from REA has not yet been approved. Indications are that approval will come in the near future.

Iowa has been educating its young people only to watch many of them leave the state for better opportunities. The rate of this erosion was four times greater during the 1980s than in the 1970s. CIPCO's participation in the Iowa Area Development Group will help combat this trend by creating job opportunities for Iowans. This will also increase the electric load by adding new and/or enlarging existing commercial and industrial businesses on the system.

CIPCO has historically been a winter peaking system, but in three of the last four years the high demand has come in the summer. This is an indication that the needs of the members are changing.

The future of CIPCO and its members is good. Changes will take place; however, dedicated and responsible employees and directors with knowledge and resources will make good choices. G&T directors are assigned the task of using the material and information provided by the cooperative to make responsible decisions regarding the business of the cooperative. The future is in the hands of those elected to serve, and success will come through the cooperation of all ◇

A report from the General Manager

As we look back on the past year we see many challenges and numerous changes within the organization. We knew that moving into the future would not be an easy task, nor did we understand the excitement that the challenges would generate ◆

Early in 1990 the organization structure was refined to align it with both the short-term and long-term goals that were identified in our planning efforts. Three management groups were defined, and each has responsibility for overseeing specific long-term goals of the cooperative ◆

Business Operations which includes marketing, economic development and corporate planning activities will address the cooperative objective of maintaining a **stabilized rate** ◆

Finance and accounting, human resources and communications are the responsibility of Corporate Operations, and this group is accountable for CIPCO's **people and systems** ◆

All transmission, generation and engineering operations of CIPCO are within the Utility Operations group. Achieving **service excellence** takes the commitment of all members of the organization, but its specific challenges will be addressed by utility operations.

In realigning the internal day-to-day efforts of the cooperative, we have allowed for resources of the organization to be directly available to all departments and to management. In addition, each standing committee of the Board of Directors works closely with staff members in their areas of expertise and responsibility. Each operating group has certain ties to these committees and will work closely to reach common goals.

Major achievements were made in amending long-term contracts in 1990. CIPCO relies on many interconnection and power use contracts to supply the members' electrical needs. We were able to get approval of an amended Operations and Transmission Agreement with Iowa Electric Light and Power Company. We are very close to finalizing a general facilities agreement with Iowa Power. These are significant accomplishments.

The Board of Directors has approved an annual agenda which includes such things as the Power Requirements Study, a Two Year Work Plan, a Long-Range Work Plan, and the New-to-Replace-Old Program.

We were successful in establishing the Iowa Capital Corporation which will provide funding for rural area development within the state of Iowa. This effort will be funded by CIPCO, Corn Belt Power Cooperative at Humboldt and the state of Iowa and will facilitate growth in the service territory of the two systems.

The Board of Directors added an investment committee to its list of standing committees during 1990. This is a significant step in getting committee members involved in the long-term investment procedures of the cooperative.

We feel that the challenges of 1990 have been met, and the cooperative is looking to the future with confidence. Our goal of providing a dependable, economical source of wholesale electric service for our member systems while maintaining our integrity and financial stability is realistic. As the scope of providing this service broadens, we will be here to serve the membership. Meeting the challenge of the future will make us stronger and better able to maintain a **Stabilized Rate** and provide **Service Excellence** through the proficiency of our **People and Systems** ◆

Dennis Murdock, General Manager

One of the strengths of any organization lies in its leadership. CIPCO's Board of Directors is strong and is taking an active part in planning for its future ◆

Jehn Heineman, Jr.
Greene County Rural Electric Cooperative

Joe D. Rohner
Guthrie County Rural Electric Cooperative

Phyllis J. Hoge
Linn County Rural Electric Cooperative

James B. Paper
Marshall County Rural Electric Cooperative

Dale R. Newman
Maquoketa Valley Rural Electric Cooperative

James P. Wenstrand
Nyman Electric Cooperative

Norman L. Van Zante
Pella Cooperative Electric Association

Richard G. Mickelson
Rideta Electric Cooperative, Inc.

G. Franklin Walter
Adams County Cooperative Electric Co.

Eldo H. Meyer
Benton County Electric Cooperative Association

Melvin W. Neil
Buchanan County Rural Electric Cooperative

James W. Van Ryswyk
Clarke Electric Cooperative, Inc.

Lawrence L. Quinn
Eastern Iowa Light and Power Cooperative

Carl E. Gilman
Farmers Electric Cooperative, Inc.

Duane R. Armstead
South Iowa Municipal Electric Cooperative Association

Wayne R. Wilcox
T.I.P. Rural Electric Cooperative

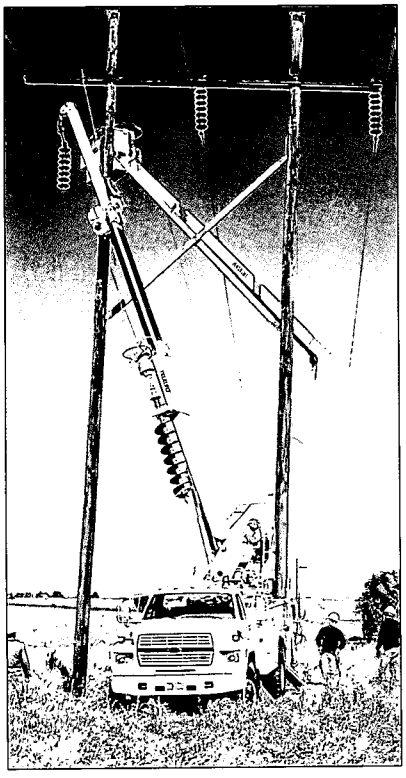
The CIPCO Executive Committee.
Clockwise from left: James Wenstrand, Richard Mickelson, Dale Newman, and John Heineman, Jr.

The Power of Excellence

CIPCO is an organization with strong goals and objectives. Founded in grass roots Iowa to provide dependable, economical electricity for rural members, it has never lost sight of the original purpose of the cooperative. However, it has evolved into a power supply cooperative with vision and a comprehensive plan for the future ◆

In its pursuit of goals, CIPCO is striving to develop a standard of excellence that will differentiate it from the competition ◆

The road to excellence is paved with obstacles such as indifference, suspicion, and apprehension. There are those who would also say excellence cannot be achieved. However, through diligence — excellence can be a reality ◆



The process of achieving excellence includes people, services, systems, information, safety, equipment, tools and more. If quality were simple, it could be easily accomplished by everyone.

Two principles are most important in the pursuit of excellence. (1) Quality must always continue to improve, and (2) quality is everyone's responsibility. People at all levels of the CIPCO organization are the key to its success, whether they are directors, system managers or employees. Those involved must have a long term commitment to a program of excellence and must be trained in the process as it develops.

The Power of Excellence cannot be underestimated. If a successful program is implemented, it will become instilled in those who are part of the process. A sense of pride in excellence becomes the standard by which all achievement is measured and anything less is unacceptable. The Power of Excellence will become part of CIPCO's investment in the future.

Early in 1990 CIPCO began addressing industry trends which would affect the long-term planning of the cooperative. General Manager Dennis Murdock met with his departmental managers and senior staff to assess CIPCO's current situation and set goals and objectives.

During the long-term planning, it became apparent that the organizational structure of CIPCO needed modifications to make it more responsive to the future. As a result, the operations of the Cooperative were realigned into three areas: Corporate Operations, Business Operations and Utility Operations. Three new positions, designated as Directors, were created to lead each new group. General Manager Murdock named three CIPCO employees to this new level of responsibility, and a senior manager in each group was appointed ◆

Dwayne Augspurger, Corporate Dperations

Craig Fricke, Business Operations

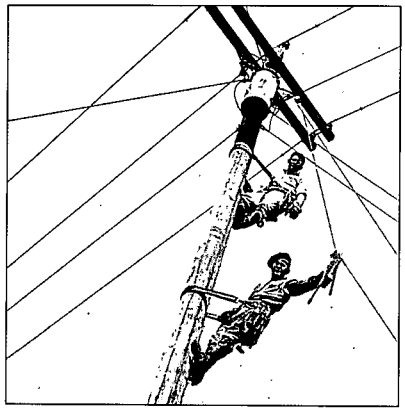
Di

The Corporate Operations Department includes the areas of finance and accounting, human resources and communications. Within this group falls general accounting activities and insurance management. Policy implementation, personnel operations and employee training are the responsibility of corporate operations. The focus of the communications department will be from the corporate perspective with total organizational goals as a priority.

The Director of Corporate Operations is Dwayne Augspurger. Mr. Augspurger has been an employee of CIPCO for 28 years and was formerly Manager of Accounting. Managers have been named in the major areas of responsibility within Corporate Operations. They are Janel Cerwick, Manager of Human Resources; Nancy Day, Manager of Financial Operations; and Joyce Haugen, Manager of Corporate Communications. Janel Cerwick is the senior manager of this group.

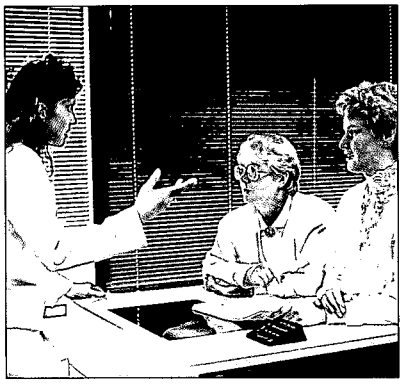
Marketing, economic development and corporate planning comprise Business Operations. Other areas of responsibility include the operations of Central Iowa Energy Cooperative and the Iowa Area Development Group. All billing, data management systems and power requirements study work are handled within this department.

The Director of Business Operations is Craig E. Fricke. Formerly Manager of Marketing, Mr. Fricke has been with the cooperative since 1979. Major areas of responsibility within this department are assigned to Pat Murphy,Manager of Business Analysis and senior manager; Rich Peterson, Manager of Marketing; Don Chaon, Manager of Data Systems; and George Ohm, Manager of CIECO Operations. The operations of the Iowa Area Development Group (IADG) falls within the Business Operations Group. Jack Bailey, Director, has management responsibility of IADG ◆



The third operating group in the CIPCO organization is Utility Operations. Included in this department are responsibilities for transmission, generation, and engineering. All management of the CIPCO facilities, safety procedures, environmental concerns and the interconnected systems will be directed by Utility Operations ◆

Dick Anderson, a 17-year employee of CIPCO, has been named the Director of Utility Operations. Mr. Anderson was previously Manager of System Operations. Managers of departmental operations include Dale Krohse, Manager of Engineering and senior manager; Gary Sharp, Manager of Generation Operations; Mike Swift, Manager of Operations, and Vern Matheny, Environmental and Safety Coordinator ◆

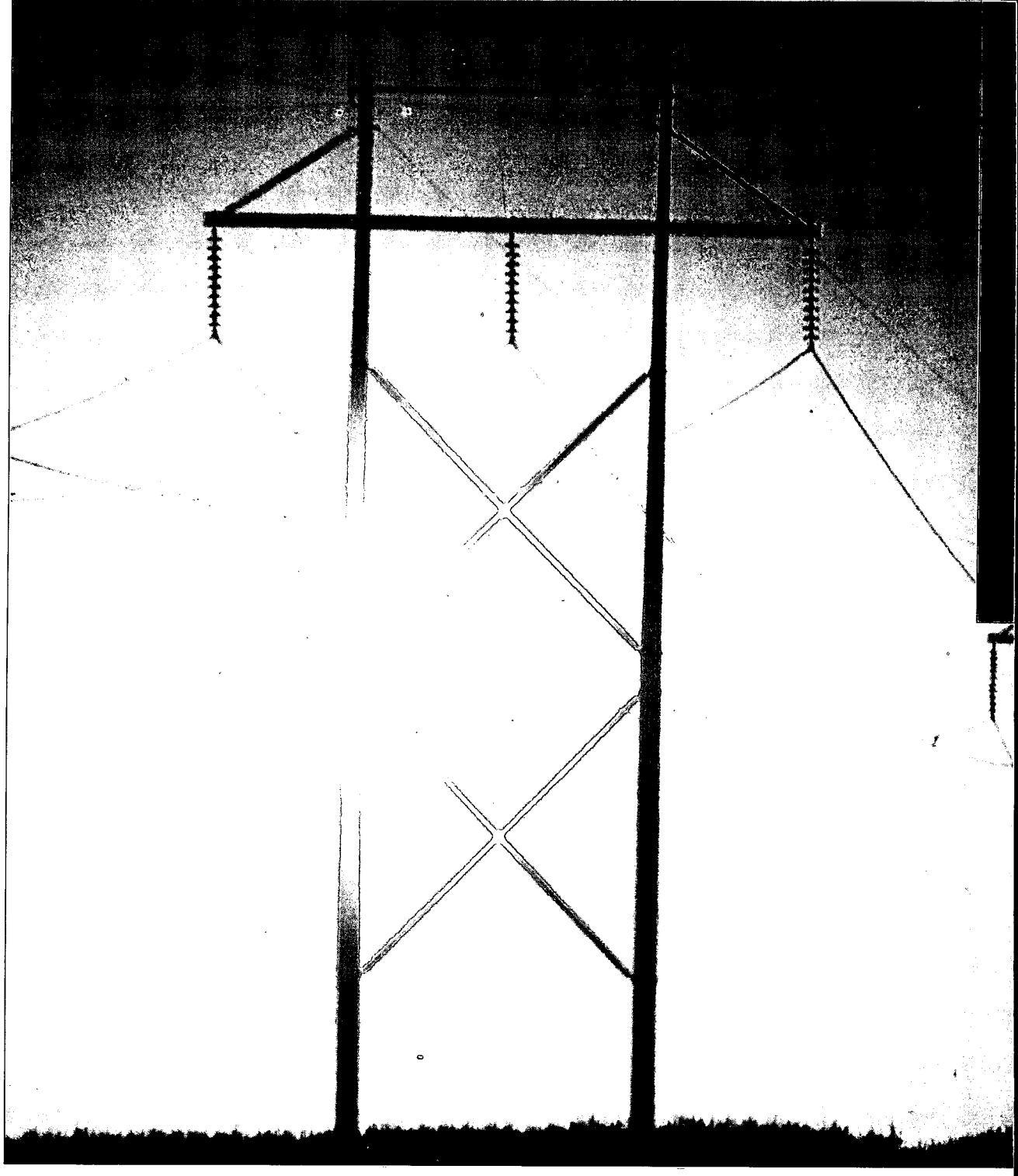


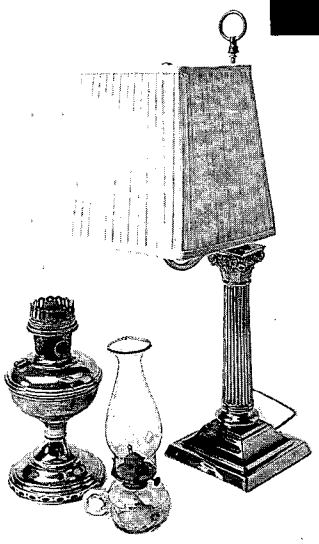
In addition to a new division of responsibilities in the CIPCO organization, an alignment to standing committees of the Board of Directors was made. General Manager Murdock has indicated that Corporate Operations will work closely with the Audit, Investment, Budget, and Policy Committees. Business Operations will support the work of the Legislative, Economic Development, Rate and Marketing Committees. Utility Operations will align closely with the Power Supply and Building Committees of the CIPCO Board of Directors.

The reorganization of CIPCO will streamline communication between the Board of Directors, the General Manager and the newly formed groups. As in the past, all departments of CIPCO will work closely together, but these changes more appropriately match the routine working relationships among existing employees.

The strategies that were identified by CIPCO, i.e. Stabilized Rates, Service Excellence, and People and Systems, continue to drive the energies of the corporation. Improved communications among the directors, managers and employees will reinforce the long-term planning. The General Manager began a series of regional information meetings in 1990 to allow an open forum between the distribution cooperative directors and employees and CIPCO management. The marketing staff conducted marketing information and motivational sessions for directors and employees at several CIPCO Systems during 1990.

Maintaining a favorable competitive edge is the focus of daily operations at CIPCO. Each decision-maker must address how the outcome of his actions affects the cost to the member. The task of holding future wholesale rate increases at a level not to exceed the cost of inflation can be accomplished. Value-added marketing is aimed at a stable rate. To reinforce this belief the Board of Directors established a Marketing Committee as one of its permanent committees in 1990 ◆





This allows CIPCO directors and system managers the opportunity for direct input into the considerations of the marketing staff. In 1990 the Board of Directors also ratified improvements to the CIPCO Marketing Policy ◆

CIPCO sponsors seminars and training for the CIPCO Systems' personnel to keep them current in marketing trends and to assist them in meeting the needs of their members ◆

The CIPCO marketing staff is always alert to developments in the industry and interprets their effect on CIPCO's future policy needs. Working with state agencies,the extension service and regulatory groups keeps CIPCO's staff apprised of situations as they develop and allows them to respond proactively to change ◆

Mary Harding

IADG MEMBERS are, clockwise from left: Debra Gans, Al Collet, Craig Hamilton, Mary Harding, and Jack Bailey.

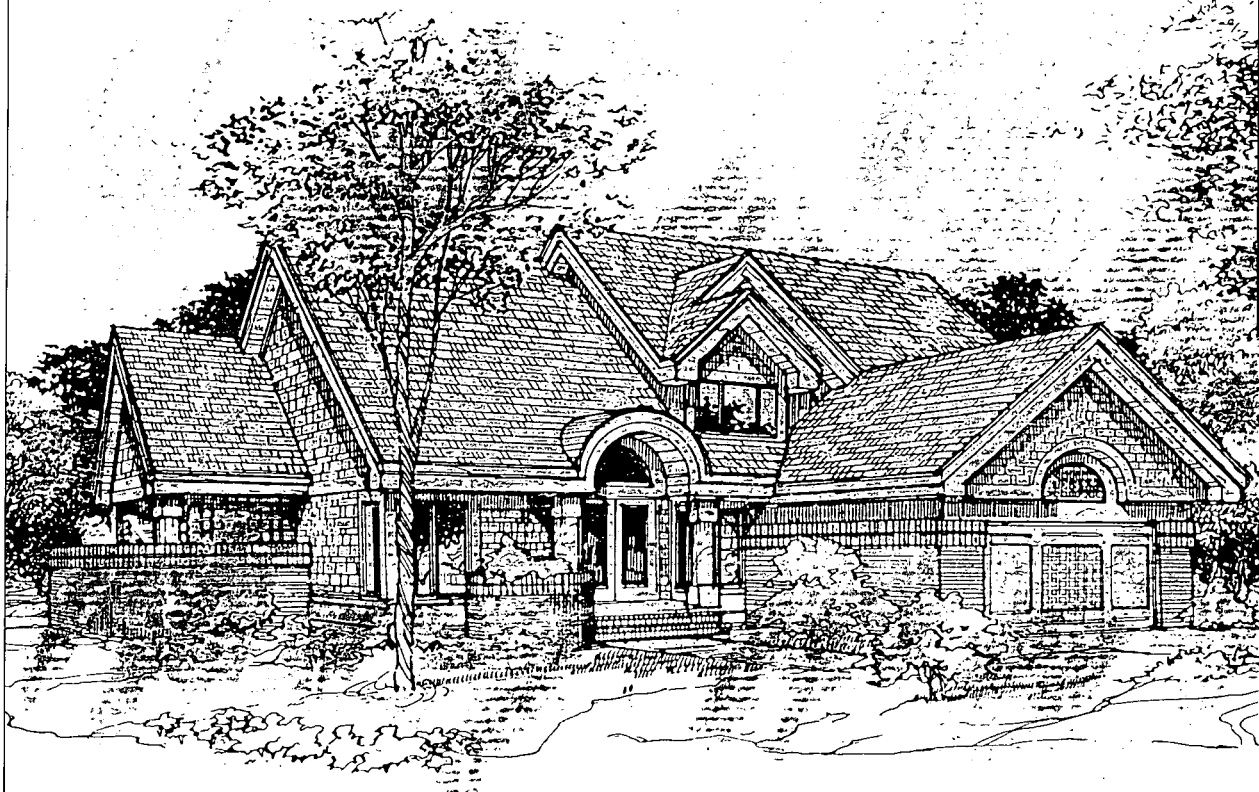
An extensive end-use survey was completed in 1990 which supports marketing planning and load forecasting efforts.

The Iowa Marketing Group (IMG) which was established in 1989 by the generation and transmission cooperatives serving Iowa coordinates marketing efforts of RECs in Iowa. CIPCO is a participating member of the group and has representation on the project working committee. On December 1, 1990, the IMG named Mary Harding to the position of Director. Harding has extensive experience working with Iowa RECs. She will be continuing the work of the IMG which is to present a unified message to cooperative members and encourage the use of electricity in the home, on the farm and in business.

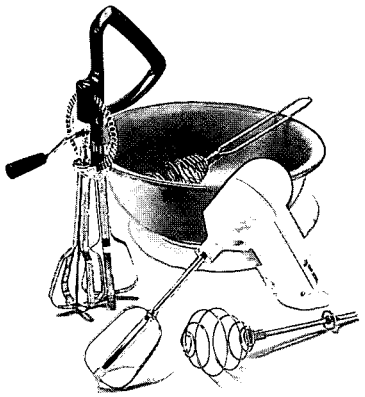
CIPCO offers its members flexibility in implementing marketing programs to encourage new ways to provide better service. Not all members are motivated by the same programs. It is, therefore, important to offer a menu of choices to target these individuals. The CIPCO marketing program has been enhanced with the addition of a Model Housing Policy. CIPCO will support the CIPCO Systems by offering the benefits of all-electric living. The program will promote a positive image of energy efficiency and state-of-the-art comfort for REC members and municipal consumers .

Another important factor that CIPCO has addressed in its efforts to maintain a stable rate is the economy of the state of Iowa. The Iowa Area Development Group was established by rural electric cooperatives and municipal utilities to meet the challenge of maintaining financial strength resulting from the depressed Iowa economy. The RECs and municipal utilities rely heavily on agriculture and must weather the characteristic ups and downs of that industry.

Diversifying both the state's economic base and the load of the CIPCO member systems will strengthen its ability to succeed in the future. If more commercial and industrial loads can be added to a predominantly agricultural cooperative, it will be easier for it to endure the peaks and valleys of the ag economy. Increased sales of all kinds will help stabilize rates by spreading fixed costs over a larger base of kilowatt-hours ◆



The CIRCO Marketing program has been enhanced with the addition of a model housing program.



In 1990 the CIPCO Systems made progress in the diversification of load base. New businesses and expansions have been extremely varied, spanning the spectrum from retail businesses to manufacturers and agricultural facilities ◆

IADG works to create investment and job opportunities in rural areas to help stabilize the rates of its member systems.

IADG's CIPCO project list for 1990 includes: auto dealerships, packaging operations, a fashion mall, food processing and telephone marketing ◆

Central Iowa Energy Cooperative (CIECO) continues to look for opportunities for diversification ◆

Lake Panorama remains a viable asset to CIECO as a water source for future projects. During 1990 CIECO finalized a dredging agreement with the Lake Panorama Association and subsequently purchased a dredge to maintain the integrity of the lake property. The Iowa Trails Council opened the trail from Yale to Adel on retired railroad right-of-way owned by CIECO. In addition CIECO purchased the Jefferson to Herndon railroad right-of-way. This property also will be used as a recreational trail under the provisions of the National Trails Act through the Iowa Trails Council.

Building load keeps the utility in stable financial condition, but in order to serve the existing load and to provide for the new load a reliable, quality system must be available. The transmission and distribution lines spanning the service territory of CIPCO are a visible tribute to the spirit of cooperation between CIPCO and the CIPCO Systems. Together they have built a network to meet the requirements of over 85,000 homes and businesses.

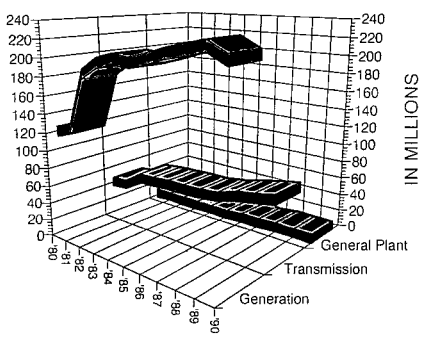
Maintaining a high level of reliability and service is a priority of CIPCO. During 1990, 36.86 miles of transmission line were replaced in CIPCO's ongoing new-to-replace-old program initiated in 1987. New construction included the Sweetland 69 kV Tap in the service territory of Eastern Iowa Light and Power Cooperative and the Conroy 34.5 kV tap to serve members in the T.I.P. area. Construction to rebuild an additional 23.24 miles of line was begun during 1990.

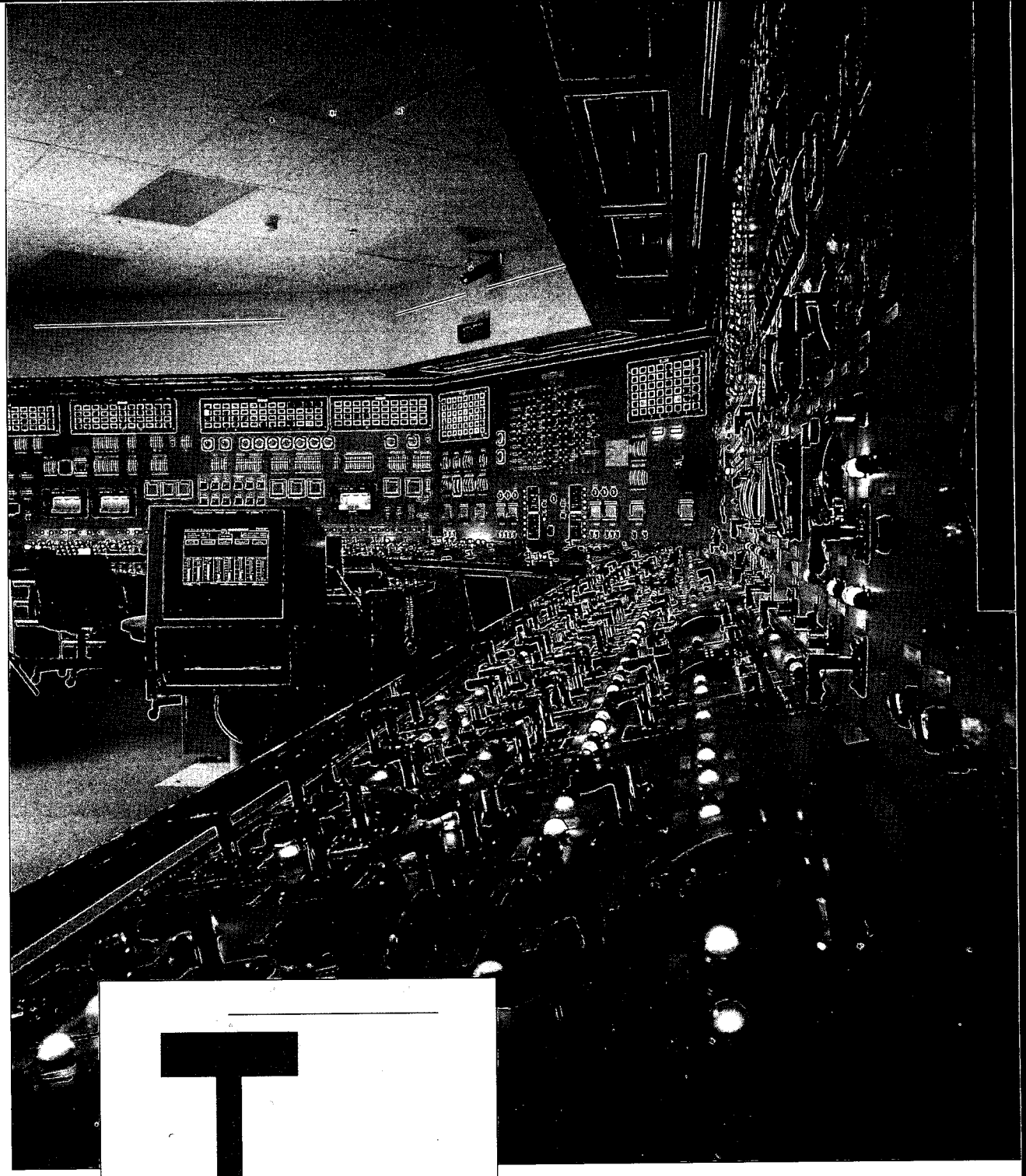
Line and ground inspection, line tightening, and routine maintenance are paying dividends in service reliability. In March 1990 a severe ice storm crossed Iowa affecting many of our member systems. Even though the outages during this storm were significant, the line maintenance programs CIPCO has in place reduced the extent of the damage to the power supply system.

Substation, relay and communication personnel continue to monitor all equipment and perform preventive maintenance. Creston and Wilton operations crews keep on top of all maintenance projects in their areas while CIPCO continues to use Iowa Electric Light and Power Company, local RECs and private contractors to accomplish maintenance in the remainder of the operating area ◆

◆ PLANT INVESTMENT ◆

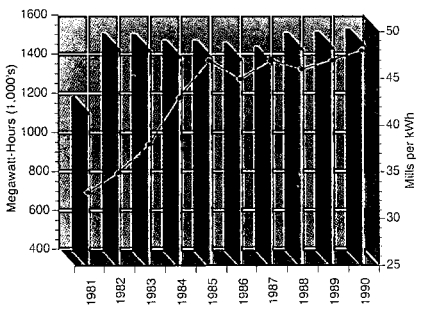
(Per Million Dollars)





The nerve center of any utility system is the control center — DAEC, Palo ◆

◆ ENERGY SALES ◆



CIPCO made progress in 1990 with the conversion to electronic metering at the substations. Eighty-six of approximately 341 meters have now been changed from magnetic tape to electronic packages ◆

New facilities were completed in 1990 at the Iowa Junction Substation. The 69 kV substation was designed by the CIPCO staff and most of the above ground work was done by the Wilton Operating Department ◆

All of the design drawings were produced on CIPCO's computer-assisted drafting (CAD) system. In addition, the drafting department has begun the task of transferring old drawings to the CAD system ◆

A new microwave radio circuit and remote control were installed at the Pleasant Prairie Switching Station. This will allow monitoring of batteries and control of the motor-operated equipment in the station.

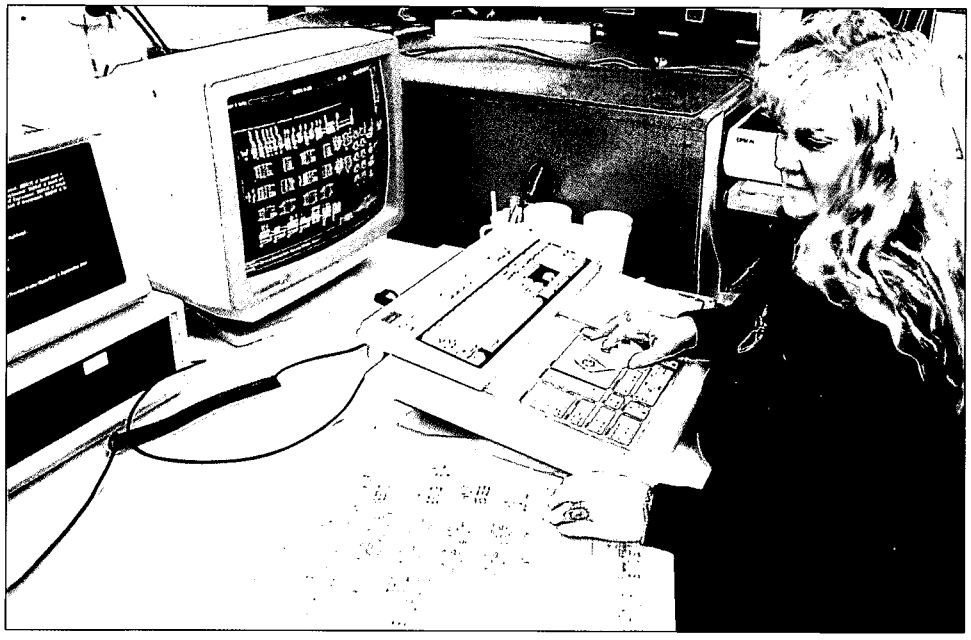
A number of 40-year old circuit breakers at various locations were replaced to improve equipment availability and circuit reliability.

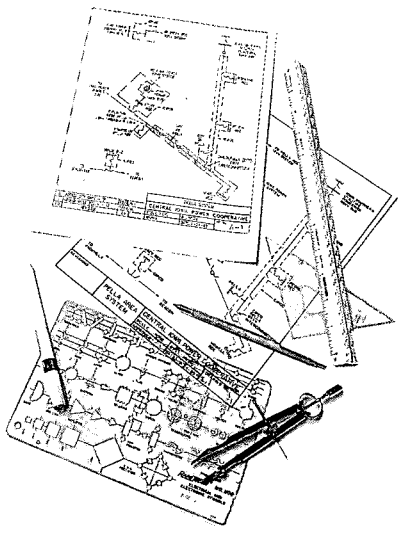
In this age of high technology, the efficiency of CIPCO's operations allows for greater productivity within the system. Many of the non-traditional functions that were performed by the Hewlett Packard computer have been transferred to internal personal computer (PC) systems. Personnel records and payroll have been converted to standard programs on PCs. Many additions have been made to computer software and hardware installations to enhance the capabilities of equipment and productivity of personnel. All of these improvements provide a higher quality of service.

Carrying out the goals of the cooperative calls for a qualified, capable staff. In the reorganization process, it became apparent that there were certain areas that lacked depth and an adequate support staff. During 1990 CIPCO began staffing for these areas. Few positions were created but several were redefined in the reorganization or were previously vacant positions. By the end of the year the total employment of CIPCO was over 100.

A Wellness Program was initiated early in 1990. CIPCO employees, retirees, directors and spouses participated in fitness testing. Self-discovery of physical conditioning by individual employees was the purpose of the blood and fitness evaluations conducted as part of this program.

CIPCO Fest '90, the annual employee/director picnic, was attended by over 300 of the CIPCO family. This event is an excellent opportunity for employees from the various operating areas, directors, and their families to share a day of relaxation and fun away from the work place. Activities such as this strengthen the bonds within the cooperative and build on a foundation of loyalty and respect among those who are responsible for the past, present and future of CIPCO ◆





CIPCO continues to develop a capable work force. Programs are in place to improve and maintain the transmission system at a high level of reliability. The cooperative embraces new technology and continues to increase the skills of its people and the quality of its systems whenever possible. An adequate power supply is the final key in the attention to excellence.

Through ownership, purchase, lease and interchange CIPCO has sufficient generating capacity to meet the demand and energy requirements of the CIPCO Systems. Interconnections with other utilities play a vital role in maintaining the reliability of the system. CIPCO's diverse mix of generating capacity includes base load, intermediate, and peaking units.

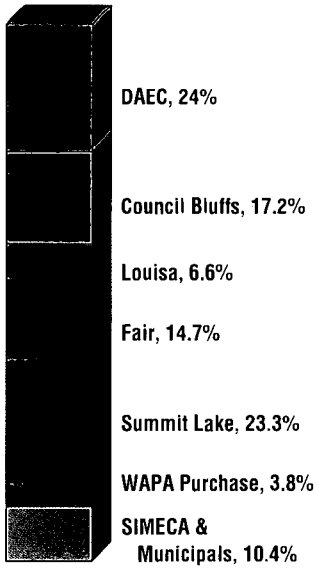
Base load units include the Duane Arnold Energy Center (DAEC), Council Bluffs Unit No. 3, Fair Station Unit No. 2, and the Western Area Power Administration's (WAPA) hydro-electric systems. Intermediate units, Louisa Generating Station and Fair Station Unit No. 1, are more costly to run and are backed down to minimum output or taken off-line on weekends and during times of light loads.

The peaking units at Summit Lake and all diesel capacity owned by municipals are run only during periods of high loads or in case of emergency.

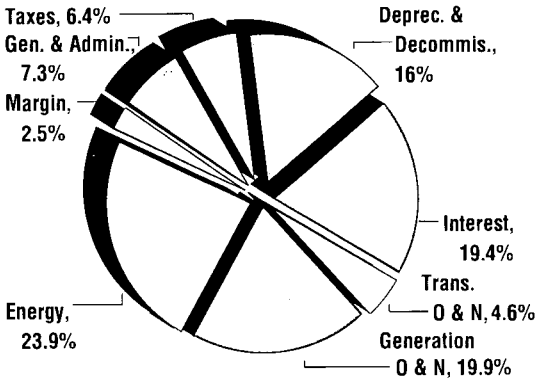
The Duane Arnold Energy Center was shut down for a 10-week refueling period during 1990. Even though this was the shortest refueling outage since the plant began, CIPCO's share of the cost exceeded $5 million. This expense will be written off over the next 18-month fuel cycle.

While the unit was off line for refueling the reactor, a significant amount of maintenance and retrofits to the plant were accomplished. There were 39 design change packages implemented, 3,704 individual maintenance items completed, 572 in-service inspections finished and 185 leak rate tests performed. Some of the major projects included replacement of the reactor water clean up piping, replacement of some of the extraction steam piping, replacement of the recirculation pump shafts, major modifications to the main steam isolation valves, improvements to the high pressure coolant injection system and major repairs of the control rod drive hydraulic lines ◆

◆ SOURCES OF ENERGY ◆



◆1990 OPERATING EXPENSE ◆



There are a total of 368 bundles of fuel in the reactor and 104 of those bundles were replaced during the outage. This will provide enough energy to operate the plant for another 18 months at full output ◆

There were approximately 1400 workers on site during the peak of the refueling outage ◆

The coal fired plants, Council Bluffs #3, Louisa and Fair Station, all had successful operations during the year. There were no records broken, but all achieved better than average generation and availability ◆

The Summit Lake Station fulfilled its role as a peaking plant and had its second highest year of generation since 1980 ◆

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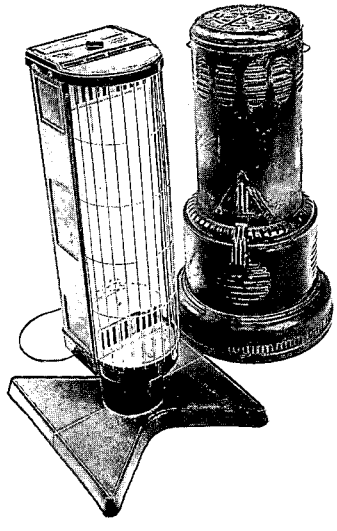


In addition to diversity in power supply, CIPCO has diversity in fuel types and transportation resources. CIPCO's coal supplies come from both western and eastern mines. This fuel can be transported to the power sources by barge, truck or unit train. There are also options as to the railroad line used. This provides CIPCO many choices in fuel supply.

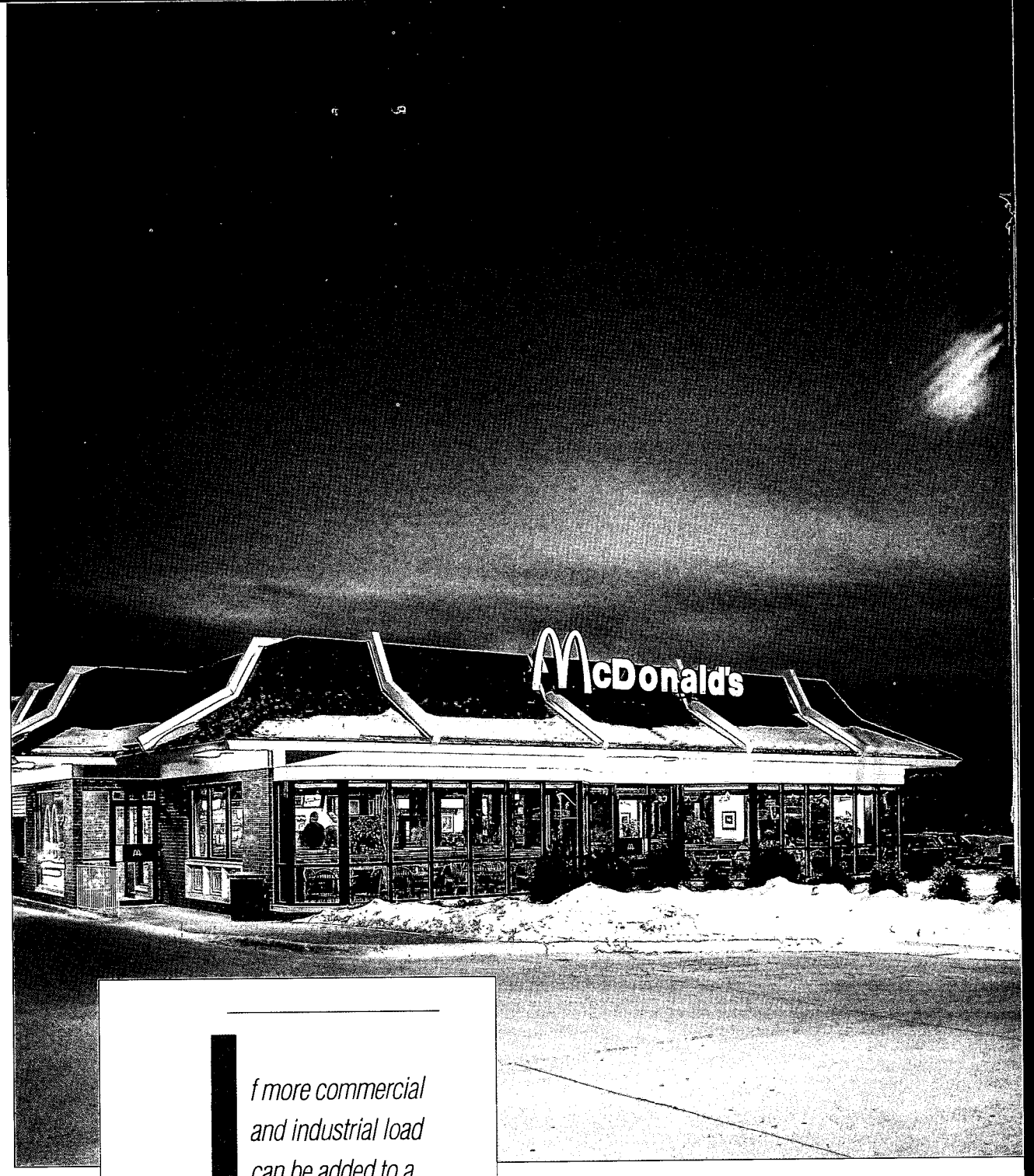
For the third time in the last four years, CIPCO experienced a summer peak load. The summer peak of 327 MW occurred in August and was 13 MW higher than the December winter peak load of 314 MW. As a result of a sale of summer peaking capacity of 40 MW to Iowa Power, CIPCO's summer surplus in 1990 was zero.

The 1990 average rate to the CIPCO Systems was 4.7¢ per kilowatt-hour.

CIPCO's 1990 net margin of $1,964,069 reflects a continuing history of positive operating results. Sales of electrical energy increased by 1.3% over the previous year, while the kilowatt demand decreased 7.7%. Sales have remained relatively constant over the past five years.

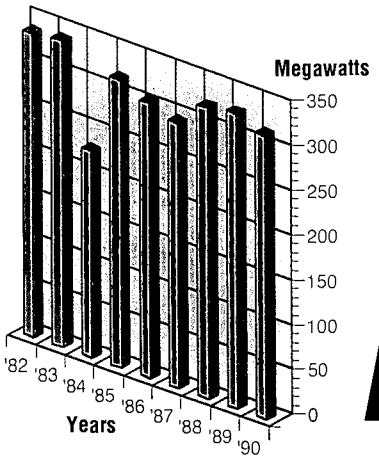
CIPCO's Debt Service Coverage (DSC) and Times Interest Earned Ratio (TIER) both well exceed the minimums set by the Rural Electrification Administration and the National Rural Utilities Cooperative Finance Corporation in their respective mortgage indentures.

One of the long-range responsibilities of CIPCO is to finance the decommissioning of the Duane Arnold Energy Center (DAEC). The operating license for the nuclear facility expires in the year 2010, and unless the license is extended the plant must be shut down and dismantled. The Nuclear Regulatory Commission requires that the funds to accomplish this must be accumulated and a substantial portion held outside the cooperative. In 1990 CIPCO named Norwest Bank Iowa the trustee to hold these external funds and named IDS Advisory Group to manage the investing of the funds ◆



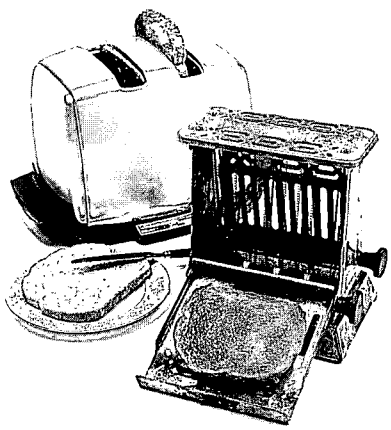
f more commercial and industrial load can be added to a predominantly agricultural cooperative, it will be easier for it to endure the peaks and valleys of the ag economy.

◆ PEAK DEMAND ◆



Additional investment in utility plant amounted to $14 million in 1990, with about $9.3 million of this financed from internally generated funds pending reimbursement from loan funds when available. Only $1.8 million of new loan funds were borrowed from outside sources. Principal payments on long term debt amounted to $6.3 million in 1990. No short term debt was outstanding during 1990 under a $12 million line of credit with the National Rural Utilities Cooperative Finance Corporation ◆

Sale of CIPCO's Prairie Creek Generating Plant was finalized in 1990, with proceeds of $4.2 million realized in the transaction. REA mortgage notes in the amount of $1.4 million were retired with the proceeds and the balance used to finance new construction ◆



Property taxes remain a substantial operating expense of CIPCO. With ownership of utility property in 49 of the 99 counties in Iowa, CIPCO paid $4.5 million in property taxes in 1990.

Understanding the **Power of Excellence** sets one apart from the others. Competition is everywhere, and it is the pursuit of excellence in the utility business that will make the difference.

The long term goals of the cooperative are being sought with an attitude toward excellence. Achieving these goals may include innovative procedures and policies and changes in the operations of the cooperative. Progress often means change and the best way to predict the future is to create it. Resistance to change is normal but can have a positive effect on an organization. Meeting resistance by exploring options and seeking alternatives leads to solutions which benefit all facets of the business. The results will embody the efforts of those who are striving for excellence and who will always put the best interests of the member/consumer first.

By creating an environment which encourages the achievement of corporate goals, CIPCO is developing dedicated, loyal employees and directors who will take the chances and exert the energy necessary to realize the power of excellence. As part of the team, they will then take pride in the accomplishments of the organization.

Promoting an atmosphere of truthfulness, accountability, support and trust throughout the CIPCO Systems will produce an organization that can accomplish more than any one individual could ever do alone. As CIPCO looks to the future, its highly motivated team will provide **Service Excellence** with **Stabilized Rates** through its **People and Systems** for the member/consumers. To that end, CIPCO is committed ◆

KPMG Peat Marwick
Certified Public Accountants

1000 Davenport Bank Building
220 Main Street
Davenport, Iowa 52801

The Board of Directors
Central Iowa Power Cooperative

We have audited the accompanying balance sheets of Central Iowa Power Cooperative as of December 31, 1990 and 1989, and the related statements of revenue and expense, members' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Cooperative's management. Our responsibility is to express an opinion on these 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Central Iowa Power Cooperative at December 31, 1990 and 1989, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

KPMG Peat Marwick

March 1, 1991

Member Firm of
Klynveld Peat Marwick Goerdeler

BALANCE SHEETS

December 31, 1990 and 1989

	1990	1989
ASSETS (Note 4)		
Electric utility plant, at cost (notes 2 and 7) :		
In service	**$ 288,345,301**	288,667,970
Less accumulated depreciation	**100,140,116**	108,047,560
	188,205,185	180,620,410
Construction work in progress	**10,007,725**	14,527,120
Nuclear fuel, at cost less accumulated amortization of $32,959,689 in 1990 and $29,932,763 in 1989	**17,390,906**	18,817,913
Net electric utility plant	**215,603,816**	213,965,443
Investments, at cost:		
Investments in associated organizations	**11,736,166**	11,786,014
Marketable securities-decommissioning fund	**6,631,314**	4,367,154
Other investments	**81,063**	81,063
Total investments	**18,448,543**	16,234,231
Current assets:		
Cash, general	**750,378**	487,304
Cash, construction	**72,607**	126,080
Temporary investments	**1,500,000**	5,450,426
Accounts receivable, members	**6,412,864**	6,788,864
Other receivables, primarily from affiliate	**2,738,690**	2,064,656
Fossil fuel, materials and supplies	**5,578,223**	4,745,352
Prepaid expenses	**953,637**	897,485
Interest receivable	**57,387**	68,480
Deferred charges	**4,960,993**	2,058,115
Total current assets	**23,024,779**	22,686,762
Deferred charges	**5,012,018**	7,537,685
	$ 262,089,156	260,424,121

CAPITALIZATION AND LIABILITIES

Capitalization:		
Members' Equity:		
Membership fees	**$ 1,700**	1,700
Patronage capital	**11,224,266**	9,144,923
Other equities (note 3)	**19,481,315**	19,596,589
Total members' equity	**30,707,281**	28,743,212
Long-term debt, excluding current installments (note 4)	**209,197,377**	213,767,922
Total capitalization	**239,904,658**	242,511,134
Current liabilities:		
Current installments of long-term debt (note 4)	**5,270,227**	5,176,819
Accounts payable	**3,456,519**	3,470,625
Accrued property taxes	**4,631,124**	4,398,645
Other accrued expenses	**386,628**	312,597
Advances from members	**2,160,000**	-
Total current liabilities	**15,904,498**	13,358,686
Other liabilities - decommissioning reserves	**6,286,060**	4,554,301
Commitments and contingent liabilities (note 8)		
	$ 262,089,156	260,424,121

See accompanying notes to financial statements.

STATEMENTS OF REVENUE AND EXPENSE

Years Ended
December 31, 1990 and 1989

	1990	1989
Operating revenue:		
Electric energy sales	$ 72,662,817	70,333,114
Rent of electric property	1,366,597	1,992,416
Miscellaneous electric revenue	303,927	352,688
Total operating revenue	74,333,341	72,678,218
Operating expenses:		
Purchased power	5,264,514	3,271,280
Operations:		
Production plant - fuel	13,433,570	14,469,476
Production plant - other	11,011,470	10,975,209
Transmission plant	1,421,518	1,340,948
Maintenance:		
Production plant	4,682,414	4,141,628
Transmission plant	2,171,531	2,455,915
Administrative and general	5,758,753	5,140,751
Depreciation and amortization	10,788,846	9,400,390
Decommissioning provision	1,725,699	1,001,791
Property and other taxes	4,971,856	4,710,888
Total operating expenses	61,230,171	56,908,276
Net operating margin	13,103,170	15,769,942
Other revenue:		
Interest income	1,604,174	1,469,293
Patronage capital allocations	159,489	158,756
Miscellaneous income - principally from affiliated cooperative	445,578	464,992
Gain on sale of property (note 2)	1,889,287	-
Total other revenue	4,098,528	2,093,041
Net margin before interest charges	17,201,698	17,862,983
Interest charges:		
Interest on long-term debt	16,116,010	16,156,103
Allowance for borrowed funds used during construction	(878,381)	(872,463)
Net interest charges	15,237,629	15,283,640
Net margin	$ 1,964,069	2,579,343

See accompanying notes to financial statements.

STATEMENTS OF MEMBERS' EQUITY

Years Ended
December 31, 1990 and 1989

	Membership fees	Patronage capital	Other equities	Total members' equity
Balance at December 31, 1988	$1,700	7,144,923	19,017,246	26,163,869
Net margin	-	-	2,579,343	2,579,343
Patronage capital allocated	-	2,000,000	(2,000,000)	-
Balance at December 31, 1989	1,700	9,144,923	19,596,589	28,743,212
Net margin	-	-	1,964,069	1,964,069
Patronage capital allocated	-	2,079,343	(2,079,343)	-
Balance at December 31, 1990	$1,700	11,224,266	19,481,315	30,707,281

See accompanying notes to financial statements.

STATEMENTS OF CASH FLOWS

Years Ended
December 31, 1990 and 1989 ◆

		1990	1989
Cash flows from operating activities:			
Net margin	$	**1,964,069**	2,579,343
Adjustments to reconcile net margin to net cash provided by operating activities:			
Depreciation and amortization of electric utility plant		**8,491,597**	8,577,556
Amortization of deferred charges		**4,641,613**	2,994,433
Amortization of nuclear fuel		**3,026,926**	3,070,807
Decommissioning provision		**1,725,699**	1,001,791
Refueling outage costs deferred		**(5,018,824)**	-
Patronage capital allocations not received in cash		**(159,489)**	(158,756)
Amortization of investment premium		**15,840**	15,840
Gain on sale of property		**(1,889,287)**	-
Increase in accounts receivable		**(298,034)**	(1,469,490)
Increase in fossil fuel, materials and supplies		**(832,871)**	(716,357)
Decrease (increase) in prepaid expenses and interest receivable		**(45,059)**	35,132
Increase (decrease) in accounts payable and accrued liabilities		**292,404**	(1,636,603)
Net cash provided by operating activities		**11,914,584**	14,293,696
Cash flows from investing activities:			
Additions to utility plant, net		**(13,892,680)**	(10,226,624)
Proceeds from sale of plant		**4,224,990**	-
Purchases of nuclear fuel		**(1,599,919)**	(3,320,546)
Increase in decommissioning fund		**(2,280,000)**	-
Decrease in investments in associated organizations		-	10,277
Receipt of prior years' patronage capital allocation		**209,337**	199,952
Net cash used by investing activities		**(13,338,272)**	(13,336,941)
Cash flows from financing activities:			
Increase in advances from members		**2,160,000**	-
Principal payments on long-term debt		**(6,287,137)**	(5,296,187)
Proceeds from long-term borrowings		**1,810,000**	6,355,000
Net cash provided by (used in) financing activities		**(2,317,137)**	1,058,813
Net decrease (increase) in cash and cash equivalents		**(3,740,825)**	2,015,568
Cash and cash equivalents at beginning of year		**6,063,810**	4,048,242
Cash and cash equivalents at end of year	$	**2,322,985**	6,063,810
Supplemental disclosure of cash flow information:			
Cash paid during the year for interest	$	**15,952,886**	16,024,494

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 1990 and 1989

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF ACCOUNTING

The accounting records of Central Iowa Power Cooperative (the Cooperative) are maintained in accordance with the Uniform System of Accounts prescribed by the Rural Electrification Administration. Central Iowa Power Cooperative is an electric generation and transmission cooperative providing wholesale electric service to its sixteen members. The Cooperative is not subject to external rate regulation other than by the Rural Electrification Administration.

Distribution of margins of the Cooperative is made in accordance with the provisions of the Code of Iowa.

(B) 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.

The Cooperative is recovering its portion of the present value of the estimated future costs to decommission the Duane Arnold Energy Center (DAEC) over the remaining life of the DAEC using the sinking fund method. The estimated cost of decommissioning DAEC, which is projected to begin in 2010, is based on studies performed in 1985 and 1989. Based on the most recent study, the Cooperative estimates that its portion of the costs to decommission DAEC will be approximately $59,000,000.

Maintenance and repair of property and replacements and renewals of items determined to be less than units of property are charged to expense. Replacements and renewals 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.

(C) 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 approximated 9.6% for 1990 and 10.5% for 1989.

(D) 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 and remitted to Department of Energy which is responsible for the disposal of the spent nuclear fuel.

(E) FOSSIL FUEL, MATERIALS AND SUPPLIES

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

(F) MARKETABLE INVESTMENT SECURITIES

Marketable securities and temporary investments consist of U.S. Government securities, money market funds, and CFC commercial paper. These investments are stated at cost which approximates market.

(G) PENSION PLAN

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

(H) DEFERRED CHARGES

Deferred charges consist principally of cancelled project costs, major maintenance and other fuel costs incurred during the refueling of the nuclear reactor and a one time fee for spent nuclear fuel used to generate electricity prior to April, 1983. These costs are being recovered through rates over various amortization periods as follows: cancelled project costs, ten years ending in 1995; maintenance and refueling outage costs, eighteen months ending in 1992; and the one time fee for spent nuclear fuel, thirteen years ending in 1998. The amount of these costs to be amortized in 1991 has been reflected as a current asset in the balance sheet.

During 1990, the Cooperative wrote off an additional $1.5 million of deferred cancelled project costs. This write off was approved by the Cooperative's members.

(I) CASH EQUIVALENTS

Cash equivalents of $1,500,000 and $5,450,426 at December 31, 1990 and 1989, respectively, consist of CFC commercial paper. For purposes of the statement of cash flows, the Cooperative considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

NOTE 2: ELECTRIC UTILITY PLANT IN SERVICE

The major classes of electric utility plant in service at December 31, 1990 and 1989 and depreciation and amortization for 1990 and 1989 are as follows:

	Cost at December 31		Depreciation and amortization		Composite rates (%)
	1990	1989	**1990**	1989	
Intangible plant	**$ 274,466**	274,312	**5,578**	5,744	4.00
Production plant	**213,423,452**	219,366,347	**6,360,835**	6,564,289	3.10
Transmission plant	**68,998,514**	63,758,578	**1,683,953**	1,628,168	2.75
Distribution plant	**454,256**	454,256	**12,914**	12,914	2.75
General plant	**5,194,613**	4,814,477	**428,317**	366,441	3.0-16.00
Electric utility plant in service	**$288,345,301**	288,667,970	**8,491,597**	8,577,556	

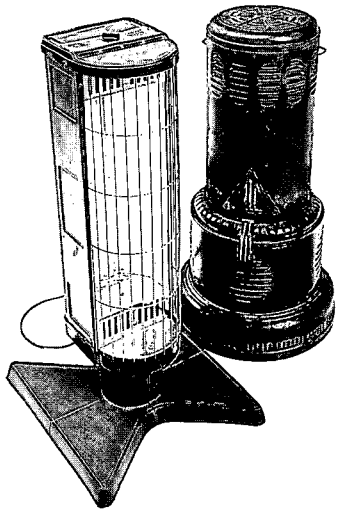
During 1990, the Cooperative sold its Prairie Creek Generation and Transmission Facility to another utility for cash and recognized a gain of $1,889,287. This facility was previously leased to the utility under an operating lease agreement.

NOTE 3: OTHER EQUITIES

Other equities consist of the following:

	December 31,	
	1090	1989
Unallocated margin	**$ 1,964,669**	2,579,343
Reserve for contingent losses	**12,727,630**	12,727,630
Surplus	**4,789,616**	4,289,616
	$ 19,481,316	19,596,589

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



NOTES TO FINANCIAL STATEMENTS

December 31, 1990 and 1989

NOTE 4: LONG-TERM DEBT

Long-term debt consists of the following:	December 31, 1990	1989
Rural Electrification Administration (REA) - 2% and 5% mortgage notes payable, due in quarterly installments approximating $1,328,000, including interest, maturing through June 2019	**$ 66,552,882**	70,362,705
Federal Financing Bank (FFB) - 7.319%-14.043% mortgage notes payable, guaranteed by the Rural Electrification Administration (REA), due in quarterly installments approximating $3,000,000, including interest, maturing from December 2010 through 2020	**113,696,006**	113,111,117
National Rural Utilities Cooperative Finance Corporation (CFC) - 7% and 9% mortgage notes payable, due in quarterly installments approximating $297,000, including interest, maturing from December 2006 through December 2015	**11,578,445**	11,935,873
National Rural Utilities Cooperative Finance Corporation (CFC) - variable interest rate (8.875% at December 31, 1990) notes payable, due in quarterly installments approximating $205,000, including interest, through March 31, 2020	**8,778,277**	8,841,155
Central Iowa Power Cooperative members - 7% unsecured notes payable, due in quarterly installments approximating $56,000, including interest, until maturity on December 31, 2008	**2,076,883**	2,152,950
City of Council Bluffs, Iowa Pollution Control Revenue Bonds guaranteed by National Rural Utilities Cooperative Finance Corporation (CFC) - 4.70% - 6.125%, due in annual installments through December 1, 2007	**3,660,000**	3,780,000
Louisa County, Iowa Pollution Control Revenue Bonds guaranteed by National Rural Utilities Cooperative Finance Corporation (CFC) - 9.3% - 10.625%, due in annual installments through December 15, 2003	**3,410,000**	3,540,000
Eastern Iowa Light and Power Cooperative - capital lease obligations, 2% and 5%, due in quarterly installments approximating $170,000 through 1993, $109,000 through 1998, and $50,000 through 2013	**4,715,111**	5,220,941
	214,467,604	218,944,741
Total long-term debt	**5,270,227**	5,176,819
Less current installments, net of advance payments	**$209,197,377**	213,767,922
Total long-term debt, excluding current installments		

The aggregate maturities of long-term debt for each of the five years subsequent to December 31, 1990 are as follows: 1991, $5,270,227; 1992, $5,573,423; 1993, $5,785,212; 1994, $5,968,881; and 1995, $6,243,046.

At December 31, 1990, the Cooperative had $2,072,000 of unadvanced funds available from long-term loans approved by REA, CFC and FFB and $12,000,000 of unadvanced funds available under a short-term line of credit agreement with CFC which expires in November, 1991.

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

NOTE 5: PENSION PLAN

The Cooperative participates in a multi-employer pension plan (the plan) which covers substantially all employees. The accumulated plan benefits and plan net assets are not determined or allocated separately by individual employer. Pension expense amounted to $351,000 in 1990 and $322,000 in 1989.

NOTE 6: 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.

NOTE 7: JOINTLY-OWNED ELECTRIC UTILITY PLANT

The Cooperative's share of jointly owned generating facilities at December 31, 1990, 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 expense.

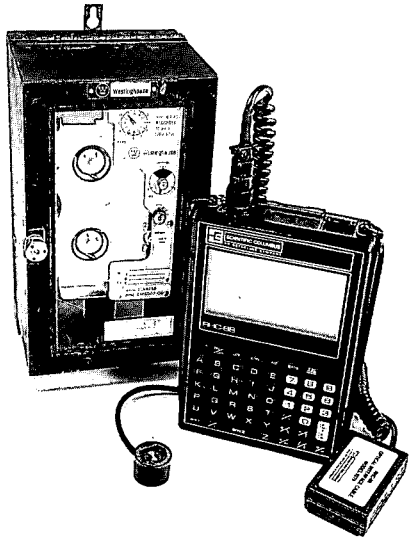
Unit	Percentage Dwnership	Capacity MW	Electric Utlity Plant, Net
Duane Arnold Energy Center	20.0%	108	$80,720,597
Council Bluffs Unit #3	11.5%	78	26,410,664
Louisa Generating Station	4.6%	30	23,926,383

NOTE 8: COMMITMENTS AND CONTINGENT LIABILITIES

The Cooperative has entered into an agreement to guarantee all costs associated with the payable to the National Rural Utilities Cooperative Finance Corporation for loans made to an associated cooperative. At December 31, 1990, the associated cooperative had outstanding loans of approximately $4,229,000 ($4,113,000 long-term, $116,000 short-term) which are secured by real estate of the associated organization.

The Cooperative has entered into a five-year coal supply contract with a mining company through 1993. The terms of the agreement require the Cooperative to purchase annually a minimum of 75,000 tons at an estimated 1991 delivery price per ton of $24.20. This is approximately 58% of the annual coal requirements of the Cooperative's 66 MW unit at the Fair Generating Station.

Under the Price-Anderson Act, (as amended in 1988) all nuclear power station operators are subject to public liability for a nuclear incident which is currently limited to $7.279 billion per incident. Coverage of the first $200 million is provided by private insurance with the balance provided by retrospective premium assessments against each licensed nuclear unit in the United States. As a joint owner of the DAEC, the Cooperative is a party to the insurance policies covering such nuclear incidents which are maintained by Iowa Electric Light and Power Company (70% owner and operator of DAEC) and is charged for its proportionate share of such insurance costs. In the event of an incident at any nuclear plant in the United States in excess of $200 million, the Cooperative could be assessed a maximum of $12,600,000 per incident, with a maximum assessment of $2,000,000 in one year.



TEN YEAR FINANCIAL SUMMARY
(Unaudited)

		1990	1989	1988
Summary of Dperations				
Operating revenue	$	**74,333,341**	72,678,218	71,552,131
Operating expenses and interest:				
Purchased power		**5,264,514**	3,271,280	1 ,911,799
Operations and maintenance		**32,720,503**	33,383,176	34,725,741
Administrative and general		**5,758,753**	5,140,751	4,357,809
Depreciation and amortization		**10,788,846**	9,400,390	9,377,277
Decommissioning provision		**1,725,699**	1,001,791	1,028,832
Property and other taxes		**4,971,856**	4,710,888	4,364,878
Net interest charges		**15,237,629**	15,283,640	14,830,577
Total operating expenses and interest		**76,467,800**	72,191,916	70,596,913
Operating margin (loss)		**(2,134,459)**	486,302	955,218
Other revenue		**4,098,528**	2,093,041	1,744,943
Net margin (deficit)	$	**1,964,069**	2,579,343	2,700,161
Assets				
Electric utility plant	$	**348,703,621**	351,945,766	339,859,546
Less accumulated depreciation and amortization		**133,099,805**	137,980,323	127,792,910
Net electric utility plant		**215,603,016**	213,965,443	212,066,636
Investments		**18,448,543**	16,234,231	16,301,544
Current assets		**23,024,779**	22,686,762	19,708,998
Deferred charges		**5,012,018**	7,537,685	9,343,599
Total assets	$	**202,089,156**	260,424,121	257,420,777
Capitalization and Liabilities				
Members' equity	$	**30,707,281**	28,743,212	26,163,869
Long-term debt		**209,197,377**	213,767,922	212,957,991
Spent nuclear fuel disposal liability		-	-	-
Current liabilities		**15,904,498**	13,358,686	14,746,407
Deferred credits		-	-	-
Decommissioning reserves		**6,280,000**	4,554,301	3,552,510
Total capitalization and liabilities	$	**262,089,156**	260,424,121	257,420,777

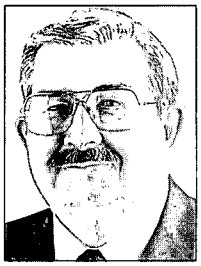
1987	1986	1985	1984	1983	1982	1981
68,805,228	67,660,629	71,132,939	64,242,148	58,643,815	53,224,842	37,733,578
4,511,217	3,228,972	10,651,421	9,310,487	5,354,110	1,728,760	4,131,037
31,144,655	29,793,316	27,569,688	26,630,591	30,392,265	28,190,534	15,491,146
3,787,341	3,231,141	3,073,865	2,592,445	2,602,144	2,597,290	1,828,824
8,910,470	8,546,967	7,253,123	7,698,875	6,484,118	6,998,930	5,039,075
929,960	838,831	754,887	-	-	-	-
4,243,785	4,222,102	3,994,490	4,206,417	3,815,460	3,589,478	3,035,812
15,323,888	15,769,131	14,500,285	13,496,875	9,873,776	9,177,792	6,773,875
68,851,316	65,630,460	67,797,759	63,935,690	58,521,873	52,282,784	36,299,769
(46,088)	2,030,169	3,335,180	306,458	121,942	942,058	1,433,809
1,713,438	1,726,608	1,034,308	809,938	534,427	783,548	421,782
1,667,350	3,756,777	4,369,488	1,116,396	656,369	1,725,606	1,855,591
315,296,237	305,693,465	295,189,519	293,659,876	280,635,043	265,446,255	190,095,722
117,308,959	107,009,719	96,551,822	87,457,382	77,433,944	68,916,957	51,084,244
197,987,278	198,683,746	198,637,697	206,202,494	203,201,099	196,529,298	139,011,478
14,016,197	11,290,315	9,341,109	9,290,756	8,730,585	7,713,720	7,207,594
29,492,565	29,299,708	25,142,825	15,022,757	17,319,460	17,293,393	8,928,450
10,335,627	11,591,849	12,522,126	6,835,981	7,978,297	-	804,883
251,831,667	250,865,618	245,643,757	237,351,988	237,229,441	221,536,411	155,952,405
23,495,994	21,828,644	18,071,867	13,702,379	13,126,587	12,470,218	11,631,927
213,794,778	215,331,259	213,309,618	202,731,539	203,720,613	198,030,109	136,224,533
-	-	-	4,735,981	4,735,981	-	-
12,017,216	12,111,996	13,507,385	16,182,089	15,646,260	11,036,084	8,069,202
-	-	-	-	-	-	26,743
2,523,679	1,593,719	754,887	-	-	-	-
251,831,667	250,865,618	245,643,757	237,351,988	237,229,441	221,536,411	155,952,405

MEMBER COGPERATIVE OPERATING STATISTICS

In Memorium

Philip Visser
System Manager
Pella Cooperative Electric Association
May 25,1924 to December 21,1990
Serving Rural Electrification Since 1950

System Managers



Kenneth Stone
Adams County Cooperative Electric Co. *and* Nyman Electric Cooperative

Martin Gardner
Benton County Electric Cooperative Association

	Adams	Benton	Buchanan	Clarke	Eastern
Summary of Operations					
Operating Revenue	$ 2,332,717	4,164,523	5,802,783	4,896,692	22,268,945
Purchased Power	1,216,034	2,759,258	3,831,105	2,569,558	14,873,972
Operating Expenses	513,814	759,800	951,797	1,118,485	3,514,965
Depreciation	211,732	176,925	278,086	396,594	1,368,513
Tax Expense	56,911	80,406	103,356	140,478	424,110
Interest Expense	215,981	298,208	424,772	472,110	1,209,370
Total Cost - Electric Service	2,214,472	4,074,597	5,589,116	4,697,225	21,390,930
Operating Margins	118,245	89,926	213,667	199,467	878,015
Non-operating Margins & Capital Credits	98,226	155,263	266,949	163,860	1,089,422
Patronage Capital or Margins	$ 216,471	245,189	480,616	363,327	1,967,437
Assets and Other Debits					
Total Utility Plant	$ 5,754,241	8,043,698	11,483,054	13,363,905	47,943,303
Accumulated Depreciation & Amortization	1,719,566	2,309,263	2,913,156	3,998,436	12,139,032
Net Utility Plant	4,034,675	5,734,435	8,569,898	9,365,469	35,804,271
Property & Investments	870,432	1,159,211	1,403,168	1,171,352	12,690,285
Current & Accrued Assets	660,953	1,281,641	1,590,505	1,975,261	8,350,471
Deferred Debits	34,832	117,590	47,021	64,049	351,464
Total Assets	$ 5,600,892	8,292,877	11,610,592	12,576,131	57,196,491
Liahilities and Other Credits					
Margins & Equities	1,666,057	3,773,881	4,350,556	3,604,452	22,314,514
Long Term Debt	3,728,950	4,330,828	7,032,141	8,352,857	32,437,192
Current & Accrued Liabilities	193,937	179,410	191,792	584,274	2,240,730
Deferred Credits & Misc. Oper. Reserves	11,948	8,758	36,103	34,548	204,055
Total Liabilities	$ 5,600,892	8,292,877	11,610,592	12,576,131	57,196,491
Other Statistics					
Miles of Line	795	941	1,225	1,733	4,381
Consumers Served	1,677	3,371	3,448	4,168	19,167
Consumers Per Mile	2.1	3.6	2.8	2.4	4.4
kWhs sold per consumer	13,906	15,821	22,659	11,525	15,146
MWh Sales	23,321	53,333	78,127	48,035	290,312
Annual Revenue per Consumer	1,391	1,235	1,683	1,175	1,162
Plant Investment per Consumer	3,431	2,386	3,330	3,206	2,501

Glenn Maynard
Buchanan County Rural Electric Cooperative

Tom Killebrew
Clarke Electric Cooperative

Melvin Nicholas
Eastern Iowa Light and Power Cooperative

David Weaklend
Farmers Electric Cooperative

Roger Wieck
Greene County Rural Electric Cooperative

Farmers	Greene	Guthrie	Linn	Maquoketa	Marshall	Nyman	Pella	Rideta	T. I. P.	Total
6,776,316	7,158,712	4,382,985	11,598,491	15,078,292	5,045,300	1,691,951	2,561,510	2,527,895	6,691,103	102,978,215
4,378,434	4,709,321	2,630,984	7,838,357	11,179,853	3,325,444	979,591	1,680,743	1,475,821	4,126,576	67,575,051
996,071	1,403,028	1,043,495	2,115,815	2,089,969	945,897	442,994	488,265	670,540	1,331,215	18,386,151
404,616	500,210	282,409	473,463	643,834	307,660	97,034	119,753	206,158	323,321	5,790,307
123,455	144,744	107,847	217,165	242,992	96,537	41,797	50,003	75,577	125,017	2,030,395
475,045	522,660	370,006	689,950	675,987	330,720	125,982	148,376	239,737	392,873	6,591,777
6,377,621	7,279,963	4,434,741	11,334,750	14,832,635	5,006,258	1,687,398	2,487,140	2,667,833	6,299,002	100,373,681
398,695	(121,251)	(51,756)	263,741	245,657	39,042	4,553	74,370	(139,938)	392,101	2,604,534
151,459	302,098	294,758	384,896	787,586	249,270	60,250	126,770	68,026	266,810	4,465,643
550,154	180,847	243,002	648,637	1,033,243	288,312	64,803	201,140	(71,912)	658,911	7,070,177
◆	◆		◆	◆		◆	◆		◆	◆
13,463,603	18,008,286	10,512,379	19,521,842	23,765,342	9,655,563	3,751,455	4,868,828	7,831,555	13,079,459	211,046,513
3,724,483	4,946,708	3,749,377	5,315,229	8,479,013	3,252,434	1,255,743	1,763,994	2,295,742	3,632,406	61,494,582
9,739,120	13,061,578	6,763,002	14,206,613	15,286,329	6,403,129	2,495,712	3,104,834	5,535,813	9,447,053	149,551,931
1,630,915	1,906,167	1,124,083	2,657,097	3,816,242	1,245,622	468,851	619,103	769,265	1,656,192	33,187,985
1,730,381	1,862,633	2,610,132	3,085,518	6,149,196	2,307,943	485,815	1,236,273	727,312	1,929,396	35,983,433
88,559	49,413	42,676	43,067	6,542	36,679	21,190	15,142	64,751	51,651	1,034,626
13,188,975	16,879,791	10,539,893	19,992,295	25,258,309	9,993,376	3,471,568	4,975,352	7,097,141	13,084,292	219,757,975
◆	◆		◆	◆		◆	◆		◆	◆
4,507,735	6,637,060	3,719,542	7,038,383	14,106,654	3,978,077	1,116,293	2,236,054	1,880,568	6,076,696	87,006,522
7,568,648	9,566,718	6,404,077	11,581,272	10,748,791	5,534,876	2,168,367	2,478,060	4,410,234	6,279,006	122,622,017
1,083,173	673,827	412,380	1,160,157	360,100	477,994	183,214	251,790	759,615	643,196	9,395,588
29,419	2,186	3,894	212,483	42,764	2,430	3,694	9,448	46,724	85,394	733,848
13,188,975	16,879,791	10,539,893	19,992,295	25,258,309	9,993,376	3,471,568	4,975,352	7,097,141	13,084,292	219,757,975
◆	◆		◆	◆		◆	◆		◆	◆
1,756	1,627	1,385	1,627	2,967	1,057	592	580	1,243	1,721	23,630
4,609	5,113	4,317	10,396	11,120	3,840	1,435	1,935	2,641	5,292	82,529
2.6	3.1	3.1	6.4	3.7	3.6	2.4	3.3	2.1	3.1	3.5
20,554	17,639	11,263	13,814	18,329	16,434	13,146	16,424	10,516	15,407	15,718
94,733	90,189	48,624	143,611	203,814	63,105	18,865	31,780	27,773	81,535	1,297,157
1,470	1,400	1,015	1,116	1,356	1,314	1,179	1,324	957	1,264	1,248
2,921	3,522	2,435	1,878	2,137	2,514	2,614	2,516	2,965	2,472	2,557

Frank Mains
Guthrie County Rural Electric Cooperative

Kim Colberg
Linn County Rural Electric Cooperative

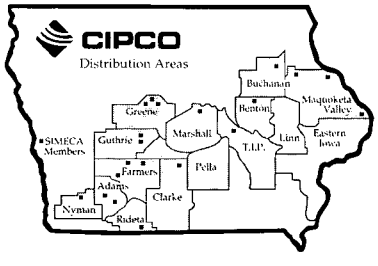
Dorothy Postel
Maquoketa Valley Rural Electric Cooperative

Daniel Boblke
Marshall County Rural Electric Cooperative

Miko Greene
Rideta Electric Cooperative

Darrel Heetland
T.I.P. Rural Electric Cooperative

CIPCOSYSTEMS



Adams County Cooperative Electric Co. ◆ Corning
Benton County Electric Cooperative ◆ Vinton
Buchanan County Rural Electric Cooperative ◆ Independence
Clarke Electric Cooperative, Inc. ◆ Osceola
Eastern Iowa Light and Power Cooperative ◆ Wilton
Farmers Electric Cooperative, Inc. ◆ Greenfield
Greene County Rural Electric Cooperative ◆ Jefferson
Guthrie County Rural Electric Cooperative ◆ Guthrie Center
Linn County Rural Electric Cooperative ◆ Marion
Maquoketa Valley Rural Electric Cooperative ◆ Anamosa
Marshall County Rural Electric Cooperative ◆ Marshalltown
Nyman Electric Cooperative ◆ Stanton
Pella Cooperative Electric Association ◆ Pella
Rideta Electric Cooperative ◆ Mount Ayr
South Iowa Municipal Electric Cooperative Association (SIMECA)
Brooklyn, Cascade, Corning, Earlville, Fontanelle, Gowrie, Greenfield, Lamoni, Lenox, Stuart, Villisca, Winterset
T.I.P. Rural Electric Cooperative ◆ Brooklyn

Central Iowa Power Cooperative
1400 Highway 13 S.E., P.O. Box 2517, Cedar Rapids, Iowa 52406 ◆ 319-366-8011

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