

The highest priority for Eugene Water & Electric Board in the 1980's is to prevent an electricity shortage. As is reviewed in this Annual Report, EWEB is actively developing conservation incentives and renewable generating resources to meet the increasing needs of the utility's consumers.

There are similarities between the electricity supply problems foreseen for the 1980's and the water supply problems EWEB confronted in the 1970's. Early in the decade, the growing population had pushed demand to the limits of the utility's water filtration and transmission capability. To guarantee a plentiful and safe water supply for years into the future, the EWEB Commissioners approved a multimillion-dollar water system improvement program. That program is essentially completed. Without the system improvements, the utility would not have been able to pump the better than 60 million gallons of water demanded on a single July day in 1979. The water utility now has the supply and the facilities to meet a growing demand for many years.

The water supply success story sets an example for solving the electricity supply problem. The answer is to eliminate waste and construct new facilities. However, unlike the local issue of water supply, the electricity shortage is a regionwide problem.

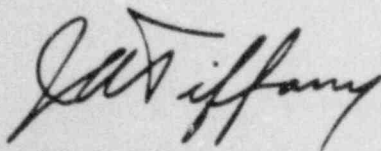
The Bonneville Power Administration has declared it will not guarantee meeting EWEB's load growth beyond July 1983. In addition, BPA's proposed allocation procedure requires utilities to achieve 15-percent conservation in order to receive a full allocation. This means EWEB's conservation programs must be strengthened. And it means that EWEB must expedite development of new generating resources.

One resource which EWEB will not be utilizing is its 30-percent ownership share of the Trojan Nuclear Plant. On January 7, 1980, the EWEB Commissioners voted unanimously to leave the utility's share of Trojan power net-billed with the Bonneville Power Administration. Withdrawing this power into EWEB's system would not have increased the region's energy supply and, therefore, would not have reduced the threat of power shortages. The Board of Commissioners agreed that EWEB's financial investment in Trojan was too great a single-source risk for a utility the size of EWEB to assume. The incident at Three Mile Island, and the failure of the federal government to provide facilities for storage or reprocessing of spent fuel, were among the reasons for concern about future operation of Trojan. EWEB's net-billing contract with BPA is now permanent, and all of EWEB's Trojan costs will be paid by BPA whether the plant is operating or not. It is my hope that the spent fuel issue will be resolved and the Trojan Plant will continue to produce power throughout its planned lifetime, helping to meet the electricity needs of people throughout the Northwest.

Formation of a new Power Resources Division in early 1980, directed by Herbert Hunt, places strong emphasis on development of renewable resources. This division will concentrate the project management of new generating facilities, separating those activities from other utility operations.

One reason to believe that EWEB will succeed in meeting the challenges ahead is due to the utility's skilled management and employees. EWEB has traditionally employed quality personnel, has provided specialized education and training, and has rewarded employees with competitive wages and benefits. The employees' dedication and ability are the reasons EWEB is held in such high esteem by the community.

The utility's most trying times may lie ahead, but there is no utility organization more capable of success.



John A. Tiffany  
President

## Eugene Water & Electric Board of Commissioners



### Seated:

#### John A. Tiffany

Appointed in 1962 representing Wards 1 & 8; elected in 1964 and re-elected in 1970 and 1976; president of the Board since 1968. Commissioner Tiffany is president and general manager of Tiffany-Davis Drug Company.

### Standing, from left to right:

#### Camilla P. Pratt

Elected in 1976 representing Wards 2 & 3; vice president of the Board in 1979. Commissioner Pratt is a certified medical technologist and a homemaker with business interests in Eugene.

#### John R. Bartels

Elected in 1978 representing Wards 4 & 5. Commissioner Bartels is a journalist and president of the Power Research Group.

#### Jack J. Craig

Elected in 1978 representing the city at large. Commissioner Craig is a video communications consultant and a legislative and governmental administrator. He is a former Oregon State Legislator (1971-72) and has served on the Lane Transit District Board of Directors.

#### Richard F. Freeman

Elected in 1970 representing Wards 6 & 7; re-elected in 1976; vice president of the Board from June 1973 through 1975. Commissioner Freeman is a geology research consultant emeritus, University of Oregon, with business interests in Eugene.



The Water Utility

## The Water Utility

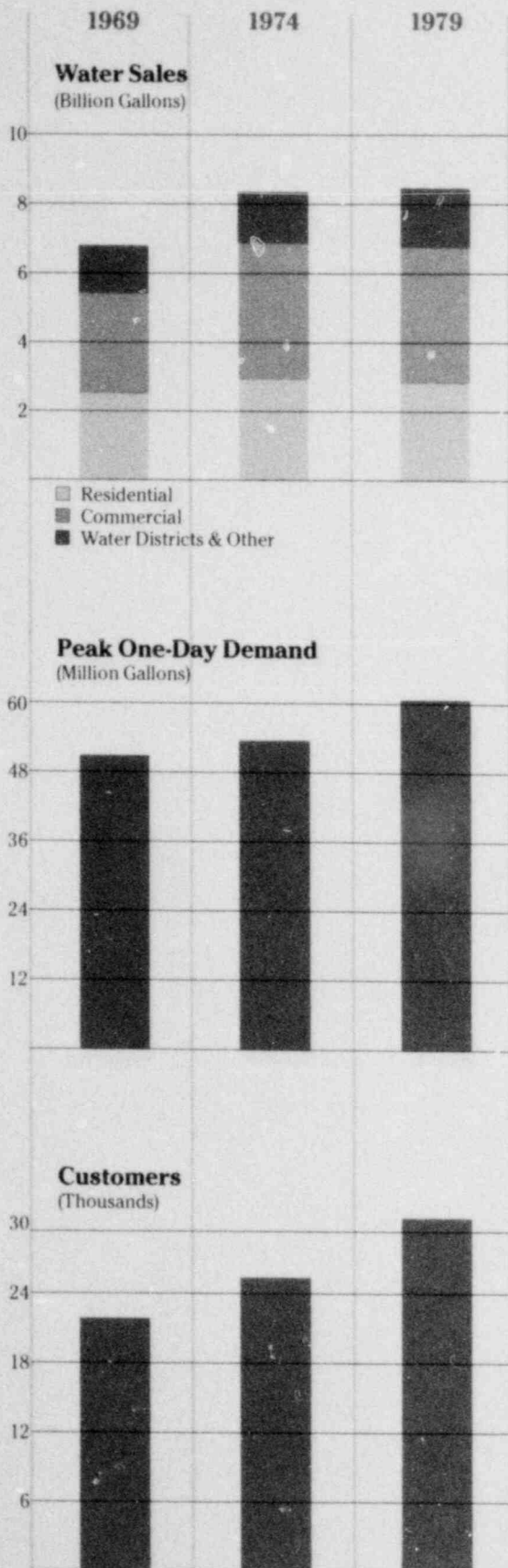


An increase in water sales in 1979 reversed four consecutive years of declining water consumption by EWEB customers. The 8.4 billion gallons sold during the year was an 11.5-percent increase above 1978 and broke the all-time sales record set in 1974.

Water sales had been decreasing due to conservation and extremely wet summers. Rainfall during the summer of 1979 was again about triple the normal rainfall, but longer dry periods between the showers made increased irrigation necessary. On July 17, EWEB pumped 60.4 million gallons of water, breaking the previous record peak of 57.1 million gallons reached in August 1978. The almost 1.4 billion gallons of water pumped in July bettered a six-year-old record for water pumped in a month.

Still, the wet summers have disguised the potential impact of customer growth on EWEB's system. EWEB added nearly 1,400 customers in 1979, raising the total to 31,185. In addition, four water districts served by EWEB in 1979 had more than 9,000 customers. Since the last "normal" summer (1974), the number of customers has increased 24 percent, but use has increased less than one percent.

The record water use in 1979, along with an average seven percent rate increase in February, pushed water revenues to \$5 million, 15 percent greater than 1978. Residential customers accounted for 47 percent of the revenue, commercial customers were responsible for 44 percent and water districts contributed nine percent. Although rates were higher, the increased water use resulted in the average residential revenue per 1,000 gallons increasing only two percent to 81 cents. This means that one penny purchased better than 12 gallons of purified water delivered to the tap.



### Decade in Review

During the 1970's, the number of water customers served by EWEB grew by nearly 9,500 (44%), about the same as during the 1960's. However, annual sales increased only 1.6 billion gallons the past 10 years (23%), compared with an increase in annual consumption of 2.6 billion gallons the previous decade. Average annual residential water use dropped from 137,000 gallons in 1969 to 110,000 gallons in 1979, while average commercial use rose from 827,000 gallons to 870,000 gallons.

The most significant change was in annual revenue, which jumped 223 percent from 1969 to 1979. This was brought about by increased sales and by a better than doubling of the water rates. The higher charges were needed to offset inflationary costs hitting the labor- and capital-intensive utility, and to provide partial funding of the \$12.7 million water system improvement program begun in 1976.

The water system improvements have been funded by \$10 million in debt financing and through utility revenues. EWEB plans permanent financing through sale of up to \$15 million in bonds in 1981, which would include funds for construction of a proposed second phase of improvements.

When a final section of transmission pipeline is installed in southeast Eugene, the first phase of the water system improvement program will be complete. Already, the program has increased capacity of the EWEB filtration plant by 75 percent, reservoir storage by 35 percent, and transmission pipelines by 75 percent. The filtration plant can provide up to 105 million gallons per day of purified water, more than adequate to meet the current peak needs of 60 million gallons per day. As a result of this expansion, the water utility plant in service has grown to \$36.8 million in 1979, compared with \$15 million at the beginning of the decade.

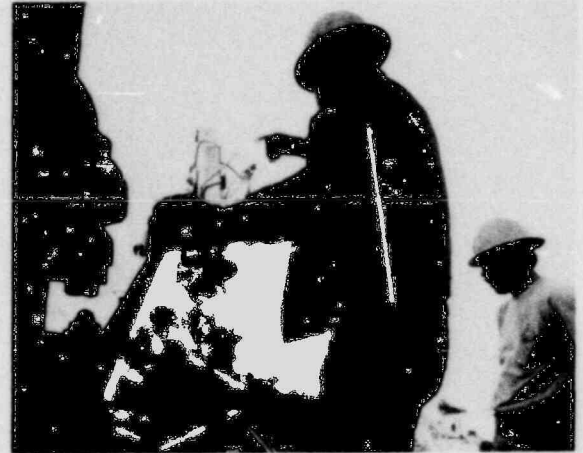
### New Connections/Acquisition of Oakway Water District

EWEB installed 1,300 water services in 1979, 400 fewer than the previous year, and installed 24 miles of new pipelines. The water utility has nearly 500 miles of distribution and transmission pipelines.

In September 1979, the customers of the Oakway Water District voted to dissolve the district, turning over the system to the Eugene Water & Electric Board effective January 1, 1980. Expansion of the city limits had reduced the size of the district, which served an area north of Eugene, affecting the economics of its operation. EWEB already had been providing the district's water supply and was handling service installation, maintenance and billing for the district's 750 customers.

### The Water System

Eugene is blessed with a plentiful water source, the McKenzie River. The water is soft, cool and relatively free of impurities. This outstanding source and EWEB's excellent filtration and distribution system combine to provide



Eugene one of the highest-quality water supplies in the nation.

From the moment the water leaves the Hayden Bridge Filtration Plant until its use by the customer, the water is kept in a completely enclosed system to protect purity. At EWEB's federally certified laboratory, water quality is continuously monitored to assure EWEB customers that their water exceeds all standards of the Federal Safe Drinking Water Act.

### Analysis of Water Sales

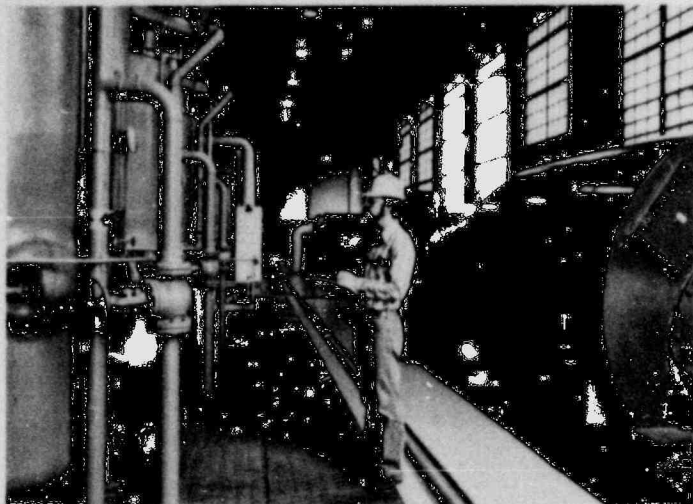
Class of Service	1979			
	Average Number of Customers	Consumption (1000 Gal.)	Total Revenue	Average Revenue/1000 Gal.
Residential .....	26 494	2 912 059	2 358 265	.810
Commercial .....	4 686	4 146 006	2 190 512	.528
Water Districts .....	4	1 277 963	452 715	.354
Electric Utility .....	1	77 506	13 443	.173
<b>Total Water Sales .....</b>	<b>31 185</b>	<b>8 413 534</b>	<b>\$5 014 935</b>	<b>\$ .596</b>

Class of Service	1978			
	Average Number of Customers	Consumption (1000 Gal.)	Total Revenue	Average Revenue/1000 Gal.
Residential .....	25 269	2 482 146	1 965 620	.792
Commercial .....	4 548	3 830 569	1 981 841	.517
Water Districts .....	4	1 141 443	377 514	.331
Electric Utility .....	1	94 978	25 650	.270
<b>Total Water Sales .....</b>	<b>29 822</b>	<b>7 549 136</b>	<b>\$4 350 625</b>	<b>\$ .576</b>



**The Electric Utility**

## The Electric Utility



Electric sales in 1979 were a paradox.

Residential sales, which had been increasing slowly, jumped 5.6 percent, the largest growth rate since 1971. Meanwhile, commercial/industrial sales, which had been growing at a faster rate than residential use, declined two percent. This was caused by a decline in demand for forest products and by a strike at EWEB's largest industrial customer, Weyerhaeuser Company. The result was an increase in total retail electric sales of only 1.5 percent, to 2.14 billion kilowatt-hours, the smallest growth rate since 1933.

The increase in retail sales in 1979 clearly does not reflect the higher energy demands placed upon EWEB's electric system during the year. Starting with New Year's Day, when the 24-hour system load exceeded 10 million kWh for the first time, the frigid 1979 winter tested EWEB's system daily. Electricity use in January averaged nearly one million kWh a day more than any previous month. When the peak electricity demand reached 533,000 kilowatts on February 2, it was the fifth time in 32 days that a new peak record had been set, eclipsing the 1978 mark by 10 percent. The reliability of EWEB's electric system was proven by the very few outages which occurred during the unprecedented demands for power.

Another indicator of growth was the increase in the number of customers. The addition of 2,038 customers was the second highest ever, bringing the total number of customers to nearly 60,000.

The slight rise in retail consumption in 1979, coupled with a 4.5 percent average rate

increase in February, increased retail electric revenues by nine percent to nearly \$29 million. About 55 percent of the revenue came from residential sales, 44 percent from commercial/industrial, and one percent from street lighting and the water utility. The residential average charge per kilowatt-hour increased 4.5 percent to 1.61 cents, well below the national average of 4.29 cents.

Due to increased generation at EWEB's cogeneration plant with Weyerhaeuser and at EWEB's steam plant, sales to other utilities increased 55 percent in 1979 to more than 247 million kWh. The \$4.3 million in revenues from those sales pushed the total electric revenues to \$33.3 million, 12 percent above 1978.

### Reviewing the Decade

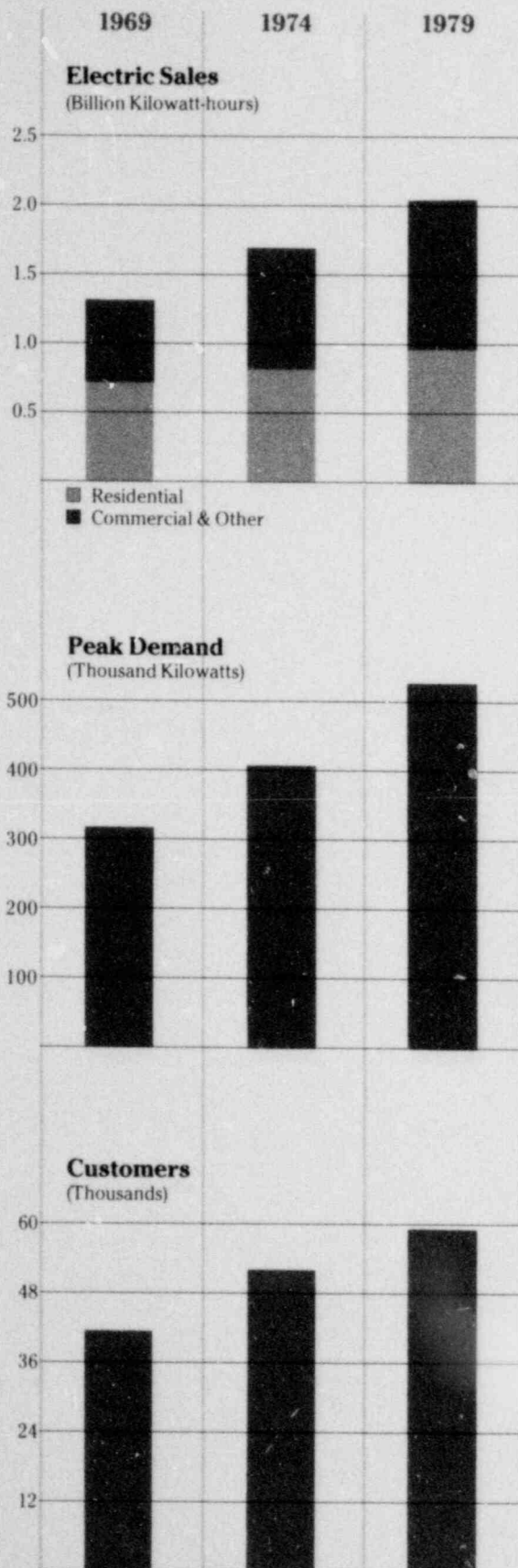
During the 1970's, EWEB added 18,000 customers (44%) and increased annual sales by 807 million kilowatt-hours (60%). However, one statistic declined during the decade: average annual residential electricity use. In 1969, the average residential consumption was 19,636 kWh, triple the national average. In 1979, that figure fell to 18,540 kWh while the national average rose to almost half that total.

EWEB's residential electricity use is higher than the national average because EWEB customers use less natural gas or oil for home heating. Ninety-three percent of the residential units added to EWEB's system during the 1970's are electrically heated. It is estimated that 70 percent of all homes served by EWEB have electric heat.

Although electric rates increased during the decade, reduced use held the average monthly residential cost to \$24.87 in 1979, compared with \$14.12 ten years earlier.

Providing facilities to meet the growth in the number of customers and sales during the decade increased the EWEB plant in service to over \$132 million (excluding the Trojan Project investment), 69 percent greater than 1969. Included in that total are the 575 miles of distribution and transmission lines installed in the 1970's, so that the utility has nearly 1,500 miles of power lines in service.





### Generation

EWEB's hydro and steam generating plants had a net generation of 583.5 million kilowatt-hours in 1979, almost 15 percent more than 1978. The largest portion, nearly 375 million kWh, was generated by EWEB's three hydroelectric projects on the McKenzie River. The EWEB-Weyerhaeuser Utility/Industrial Energy Center, a cogeneration facility, produced almost 175 million kWh, and the EWEB steam plant generated 34 million kWh.

### Steam

EWEB operates a central steam heating system serving 145 customers in downtown Eugene and other areas near the EWEB steam plant. In 1979, 571 million pounds of steam were delivered, bringing a revenue of \$1,020,851, up 6.3 percent. During the year, the steam plant burned nearly 19 million cubic feet of wood waste to provide the steam for central heating and generating power.

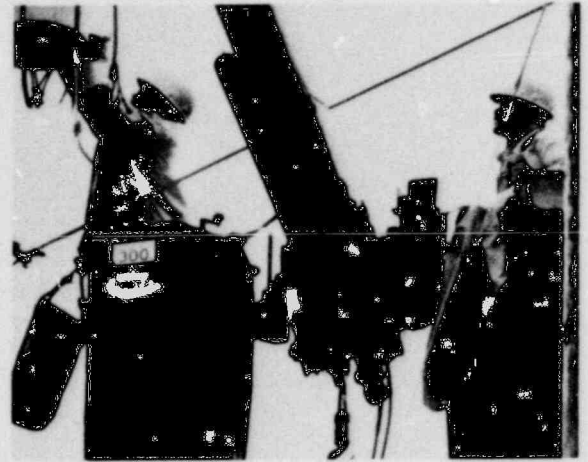
### Conservation

The programs offered by EWEB's Energy Conservation Center helped the decline in average residential electricity use. In 1979, the center provided 1,017 free home energy use analyses, bringing the total to more than 2,700 since the center was formed in June 1977. Also, 26 new homes were certified as meeting EWEB's strict Energy Efficient Building Award standards, so that there are now 116 of these super-insulated homes. The average electricity use for space heating in the energy efficient homes was only 286 kilowatt-hours per month, costing only \$4.57 monthly. EWEB was the first utility in the Northwest to promote construction of energy efficient homes. The success of this program has encouraged stricter weatherization standards for all homes built in Oregon.

The Energy Conservation Center also has consulted with commercial and industrial customers on load management, has presented numerous conservation talks to public groups, and has participated in several energy fairs, home shows and other events.

### In-Lieu-of-Tax Payments

Nearly \$4 million was paid by EWEB in lieu of taxes during 1979, making EWEB second only to Weyerhaeuser Company as the largest contributor to local governments in Lane County. The largest share, \$2.5 million, was paid to the City of Eugene, almost four times what the city received ten years before. Nearly \$700,000 of the total paid to the city was from EWEB's 30-percent ownership of the Trojan Nuclear Plant. Since the utility began making in-lieu-of-tax payments in 1943, it has contributed nearly \$29.6 million to support local governments.



### Contributions In Lieu of Taxes (Including Trojan Project)

Paid to:	1979	1978	Cumulative Total
City of Eugene . . . . .	2 493 423	2 555 550	22 057 560
School Districts & LCC . . . . .	1 417 223	1 354 434	7 260 938
City of Springfield . . . . .	54 890	50 010	242 953
<b>Total Contributions . . . . .</b>	<b>\$3 965 536</b>	<b>\$3 959 994</b>	<b>\$29 561 391</b>

### Analysis of Electric Sales

Class of Service	1979			
	Average Number of Customers	Consumption (kWh)	Total Revenue	Average Revenue/ (kWh)
Residential . . . . .	53 188	987 719 617	15 873 757	.0161
Commercial & Industrial . . . . .	6 669	1 130 158 887	12 847 903	.0113
Street Lighting . . . . .	8	9 439 529	88 732	.0094
Water Utility . . . . .	1	17 541 212	172 246	.0098
<b>Retail Electric Sales . . . . .</b>	<b>59 866</b>	<b>2 144 859 245</b>	<b>28 982 628</b>	<b>.0135</b>
Sales to Other Utilities . . . . .	—	247 459 000	4 349 285	.0176
<b>Total Electric Sales . . . . .</b>	<b>59 866</b>	<b>2 392 318 245</b>	<b>\$33 331 913</b>	<b>\$ .0139</b>

1978				
Class of Service	Average Number of Customers	Consumption (kWh)	Total Revenue	Average Revenue/ (kWh)
Residential . . . . .	51 304	935 714 221	14 377 310	.0154
Commercial & Industrial . . . . .	6 515	1 153 637 785	11 961 655	.0104
Street Lighting . . . . .	8	9 145 511	85 158	.0093
Water Utility . . . . .	1	14 546 815	136 740	.0094
<b>Retail Electric Sales . . . . .</b>	<b>57 828</b>	<b>2 113 044 332</b>	<b>26 560 863</b>	<b>.0126</b>
Sales to Other Utilities . . . . .	—	159 959 000	3 241 580	.0203
<b>Total Electric Sales . . . . .</b>	<b>57 828</b>	<b>2 273 003 332</b>	<b>\$29 802 443</b>	<b>\$ .0131</b>



## Resource Development

## Resource Development

The most critical issue facing Eugene Water & Electric Board is how to meet the future electricity needs of its customers. This was not a problem in the past, as the Pacific Northwest had plentiful hydroelectric resources and EWEB's contract with the Bonneville Power Administration required BPA to meet any EWEB load growth. However, the demand for power in the Northwest is close to exceeding the available supply, and BPA has told EWEB and its other preference customers that the federal agency will no longer guarantee to meet load growth after July 1983.

Anticipating this situation, the EWEB Board of Commissioners pushed throughout the 1970's for meaningful conservation and for development of renewable generating resources. Following is a review of projects EWEB is working to develop:

### Conservation

#### Solar

EWEB is providing financial assistance to the University of Oregon Solar Center for automated solar data gathering. This information will be invaluable to citizens and architects wishing to design appropriate active or passive solar systems for homes and buildings in the Eugene area. The utility is also specially monitoring energy use at several solar-assisted homes to help identify cost-effective systems.



#### Weatherization

Conservation is the lowest-cost and most immediately available energy resource. It is estimated that weatherizing a poorly insulated, 1,100-square-foot, electrically heated home would, over a 20-year period, recover some 300,000 kilowatt-hours of wasted electricity at a cost of only 0.2 to 0.4 cents per kilowatt-hour.

In order to encourage more home weatherization, EWEB is pursuing authorization for a no-interest weatherization loan program. As currently envisioned, owners or renters of from single-family to four-plex residences would be eligible for the loans, which could be repaid over a period of years or, in the case of building owners, when there is a transfer of title. If EWEB receives a waiver from the \$300 loan limit included in the National Energy Conservation Policy Act (NECPA), the utility will seek a test case to determine if it has authority under the City Charter and the State Constitution to offer such a program. If the ruling is favorable, EWEB will request citizen authorization of bond financing for the program.

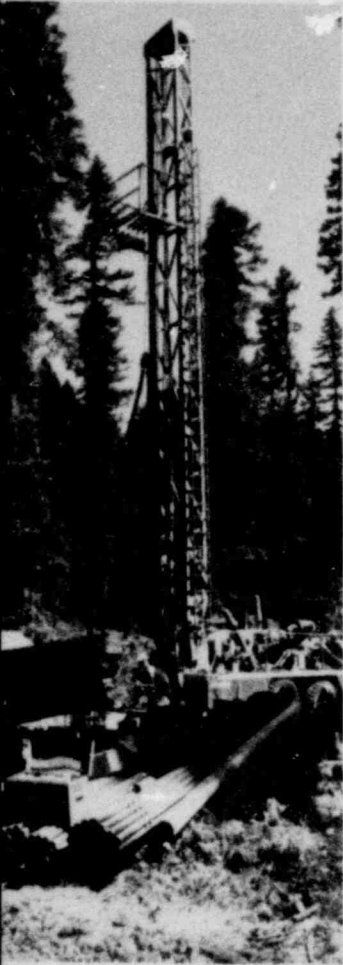
EWEB will be implementing a Residential Conservation Service Program in 1980 as required by NECPA. Essentially, this is an extension of the home energy use analysis offered by EWEB since 1977. Under the expanded program, EWEB will calculate potential energy savings from weatherization and from passive solar systems; will assist the residential customer in selecting suppliers, installers and lenders; and will inspect completed installations. Details of the program will be determined by results of public hearings held in April 1980, with implementation scheduled for late in the year.

### New Generation

#### Cogeneration

The EWEB-Weyerhaeuser Utility/Industrial Energy Center has been in operation since 1976. High-pressure steam produced by Weyerhaeuser's boilers is diverted through an EWEB turbine-generator enroute to its use at lower pressure in Weyerhaeuser's industrial operations. Capacity of the generating unit is 51,200 kilowatts. However, Weyerhaeuser currently supplies enough steam to produce about 33,000 kilowatts of power. Electricity generated at the facility is contracted to three California cities until EWEB determines it needs the power for its own customers.

The possibility of a cogeneration plant utilizing waste heat from a charcoal briquet manufacturing plant in Springfield is being studied. Waste heat from the Kingsford Company plant may have the potential of fueling a 10-15,000-kilowatt generating unit. EWEB and Kingsford are sharing the cost of a \$100,000 feasibility study to be completed in 1980.



### **Geothermal**

Oregon is believed to possess excellent geothermal resources. However, very little is actually known about what geothermal potential exists, and how much it might cost to develop. Toward this end, EWEB acquired in 1979 a \$300,000 U.S. Department of Energy grant to drill geothermal test wells in the central Cascades. EWEB contributed \$50,000 to the project as did two private energy resource firms. In addition, the Oregon Department of Geology and Mineral Industries contributed services in kind toward the project. Six temperature-gradient wells were drilled to varying depths up to 1,800 feet at different locations. The well casings were filled with water which will be monitored to measure how much the temperature increases with depth. Analysis of this information will help determine whether or not there is an attainable geothermal resource which could be utilized to generate electricity; and, if so, at which location and at what depth might an adequate resource be found. Even if results are favorable, geothermal production in the Cascades may be slow to develop.

EWEB is also a participant in a geothermal development program in northern Nevada. EWEB and three other utilities are planning to install one or more 10,000-kilowatt generating units utilizing the liquid-dominated resource at sites developed by the resource owners. Consideration also is being given to installation of a prototype geothermal generating unit of 50,000 kilowatts capacity. The participating utilities are hopeful that generation from these northern Nevada geothermal fields will be realized during the early 1980's.

### **Small Hydroelectric**

EWEB will be filing applications with the Federal Energy Regulatory Commission for five hydroelectric projects in 1980. The projects, which could have a combined capacity of over 70,000 kilowatts, are all located on the western slope of the Oregon Cascades. Three are at existing federal flood control projects, while the others are downstream from federal projects. Because of their locations, these projects could be installed and operate with minimal environmental effects.



### **Wind**

Oregon's publicly owned electric utilities have been funding wind power research at Oregon State University for several years. They are now proceeding with the next step: construction of a full-scale wind turbine. EWEB is the lead utility and Central Lincoln PUD is the host utility for the \$250,000 project being funded by 19 Oregon publicly owned utilities and the American Public Power Association. Alcoa Laboratories is to supply by mid-1980 a 500-kilowatt vertical axis wind turbine for a site on the Oregon coast. The wind turbine looks like a giant three-bladed egg beater standing almost 14 stories tall. Objectives of the demonstration project are to determine actual costs and reliability of wind turbine generation, impacts of integrating a randomly operating power source into a utility system, and environmental effects including public attitude toward visual impact.

### **Wood Waste**

EWEB has been using wood waste as a power plant fuel since 1941. The utility's steam plant uses waste wood chips from lumber mills to provide central steam heating and to generate electricity. However, competing uses for wood waste and the cyclical nature of the lumber market create occasional supply problems.

Meanwhile, thousands of tons of forest waste are being left behind at logging operations in the nearby Cascades. This potentially valuable resource is currently being bulldozed into piles and burned, creating considerable pollution.

EWEB is the lead agent for a \$180,000 study supported by the Electric Power Research Institute, Pacific Power & Light Co., and the Oregon Governor's Wood Residue Utilization Committee to determine the availability of retrievable forest waste in the central Cascades. The study also will identify the feasibility and preliminary design of a 24,000-kilowatt wood-fired power plant located near the forest resources. The study is scheduled for completion in 1980.

Each of these resources has potential. How much potential is actually realized, and when, depends on the extent of governmental obstacles, technological development and public acceptance. Meanwhile, the number of EWEB customers continues to grow.



EWEB added 14 new full-time positions in 1979, bringing the total number of employees to 440. Although the number of electric and water customers served by EWEB has increased 44 percent during the 1970's, the utility workforce has increased by just 14 percent. EWEB employees average 11 and a half years of service, attesting to the low turnover rate. Fifteen employees retired in 1979 with a combined service of 313 years.

Employee payroll and benefits costs have increased 190 percent from 1969 to 1979. However, labor costs have remained at about 80 percent of total utility expenditures throughout the decade.

EWEB is an equal opportunity employer and is subject to the provisions of the Office of Federal Contract Compliance. EWEB's policies and federally approved Affirmative Action Program guarantee nondiscrimination and equal opportunity for employment and advancement to all.

"The employees' dedication  
and ability are the reasons  
EWEB is held  
in such high esteem  
by the community."

John A. Tiffany  
President





## Management, Advisors, Consultants

### Executive Management

**Keith Parks**  
General Manager/Secretary

**Rosemary P. Edwards**  
Assistant Secretary

**John E. Brown**  
Treasurer  
Director, Accounting & Finance

**Donald W. Vanderzanden**  
Assistant Treasurer

**Herbert H. Hunt**  
Director, Power Resources

**Kenneth W. Rinard**  
Director, Operations & Engineering

**Owen D. Brown**  
Chief Engineer

**Norman F. Stone**  
Director, Administrative Services

**William F. Rau**  
Director, General Services

### Advisors and Consultants

**Windsor Calkins**  
General Counsel

**Coopers & Lybrand**  
Independent Auditor

**Schwabe, Williamson, Wyatt,  
Moore & Roberts**  
Special Counsel

**Ford, Bacon & Davis, Inc.**  
Independent Engineer

**Wood & Dawson**  
Bond Counsel

**Lazard Frères & Co.**  
Financial Consultant



Total long-term debt maturities during the years 1981 through 1984 (exclusive of the Water Utility System Revenue Bond Anticipation Notes, which the Board intends to retire by the issuance of Water Utility System Revenue Bonds in 1981) are as follows:

	<u>Electric Utility</u>		<u>Water Utility</u>
	<u>General System</u>	<u>Trojan Project</u>	
1981.....	1 365 000	2 335 000	239 183
1982.....	1 370 000	2 435 000	238 301
1983.....	1 472 000	2 530 000	232 419
1984.....	1 415 000	2 645 000	242 478

The Board has observed, performed and fulfilled its covenants and obligations as required by resolutions authorizing the issuance of revenue bonds, including the maintenance of net revenues available for debt service. In determining debt service coverage of the Electric System, all General System net revenues and Trojan Project Net Billings are available for General System debt service. However, the Board has covenanted to fix rates and charges so that General System net revenues are sufficient to pay debt service on all General System Bonds in order that Trojan Project Net Billings will be available for servicing the Trojan Project Bonds.

**Pension Plans:**

Substantially all employees are covered under the State of Oregon Public Employees Retirement System (PERS) plan and a supplemental retirement plan. Pension expense for 1979 was \$797,580 for the Electric Utility and \$187,580 for the Water Utility (expense for 1978 was \$655,655 and \$153,796, respectively), including amortization of the unfunded liability for the present value of all past normal costs over a 30-year period. The Board's policy is to fund pension cost accrued. For the PERS and supplemental plans, based on the latest available actuarial reports as of December 31, 1977 and 1978, respectively, the actuarially computed value of vested benefits exceeded the market value of fund assets by \$3,415,000.

**Litigation:**

On November 14, 1977 the City of Portland, Oregon (Portland) filed two lawsuits in the United States District Court for the District of Oregon against the Administrator of BPA and the Secretary of the Department of Interior. The Board has intervened in both actions. In the first action, Portland alleges BPA has acted illegally in its sales of power to preference customers, private utilities and the direct service customers, and asks that the present method of marketing federally-owned power be declared to be unlawful. In December 1978 the first action was orally dismissed because the claims it presented were not ripe for adjudication. However, an order dismissing the case was not entered. Instead, the court is seeking additional input from the involved parties before taking further action. In December 1979 Portland filed a motion for leave to file an amended complaint in the first action. The Board thereafter filed a motion in opposition to this motion. No further action has been taken by the court on this motion or any other aspect of this case.

In the second action, Portland claims that certain net billing agreements and power sales contracts entered into by BPA subsequent to January 1, 1970 are illegal and void by the alleged failure of BPA to comply with the terms of the National Environmental Policy Act of 1969 (NEPA). The Board is a party to net billing agreements in connection with the Trojan Nuclear Project and to a power sales contract, both of which would be affected by this action. The Board claims that there has been compliance with the NEPA and that in any event Portland is not entitled to relief by reason of laches since it knowingly delayed requesting such relief for a period of years.

In the opinion of the Board's special counsel based upon existing statutes, case law and facts presently discovered, there are meritorious defenses to both actions which should prevail. The opinion of special counsel pertinent to the ultimate outcome of both actions is in no way affected by the filing of the motion to file an amended complaint.

Portland General Electric Company, the Trojan Project operator, filed suit during 1979 seeking to recover from Bechtel Power Corporation, the Project designer, all costs associated with the modification of the control room as well as their excess power costs resulting from a nine-month Project shut down. On February 1, 1980 the Board filed a motion for leave to intervene as a party plaintiff only in that portion of the suit relating to the costs associated with modification of the control room. Bechtel has filed their answer to the suit alleging numerous affirmative defenses and counterclaims of approximately \$108 million. Special counsel has advised the Board that based upon the facts presently generated in the litigation, it appears that meritorious defenses exist as to most of the counterclaims. There will be no adverse financial impact on the Board due to the control room modification since all costs will be recovered either from the Project designer or through net billing.

**Reclassifications:**

For comparability, certain 1978 amounts have been reclassified to conform with account classifications used in 1979. There was no effect on previously reported net revenue.

The Net Billing Agreements provide the Board an option to withdraw in full or in part, for use in its own system, its 30% share of the Project capability and thus terminate its assignment to BPA and other participants. On January 7, 1980 the Board unanimously agreed not to exercise its withdrawal option, although the option does not expire until July 1, 1980 (under agreements granting extensions from the original July 1, 1977 notification date). The Board had previously notified BPA that, in the event the extension agreements are invalidated, it will withdraw substantially all of such capability in specified annual increments from 1984 through 1997. Upon withdrawal or termination of the Net Billing Agreements, the Board would be obligated pursuant to the bond resolution to pay its share of the Project costs, including debt service, on the same basis and terms as provided in the Net Billing Agreements.

Provision for depreciation is computed using the 6% sinking-fund method based upon an estimated service life of 33 years.

Nuclear fuel amortization is provided based on the quantity of heat produced for the generation of energy without provision for salvage value.

Estimated costs associated with decommissioning the Plant at the end of its useful life and permanent storage of spent fuel are currently being evaluated by the Board and BPA. These costs are Project costs and will be included in annual operating budgets for net billings when determined.

The Nuclear Regulatory Commission has accepted BPA's guarantee that the Board's share of Price-Anderson Act liabilities, if any are incurred, are net billable.

#### LONG-TERM DEBT:

	<u>1979</u>
General System Revenue Bonds	
Series A, 8-1-60 issue, 3-4%, due 1981-2004 .....	18 698 000
Series B, 8-1-62 issue, 3%, due 1981-82 .....	375 000
Series C, 8-1-66 issue, 4.30-4.35%, due 1981-99 .....	3 640 000
Series D, 8-1-68 issue, 4-4.90%, due 1981-99 .....	5 085 000
Series E, 11-1-75 issue, 5.20-6.50%, due 1981-90 .....	6 715 000
	<u>34 513 000</u>
Less unamortized discount .....	266 186
	<u>34 246 814</u>
Trojan Nuclear Project Revenue Bonds, Series of 1977	
Serial Bonds, 3-5.75%, due 1981-90 .....	63 960 000
Term Bonds, 5.90%, due 2009 .....	83 700 000
	<u>147 660 000</u>
Less unamortized discount .....	2 480 850
	<u>145 179 150</u>
<b>ELECTRIC UTILITY LONG-TERM DEBT .....</b>	<b><u>\$179 425 964</u></b>
Water Utility System Revenue Bonds	
3-15-62 issue, 3-3.20%, due 1981-86 .....	600 000
8-1-66 issue, 4.30-4.35%, due 1981-99 .....	2 030 000
8-1-68 issue, 4.75-4.90%, due 1981-99 .....	1 660 000
Debt assumed through annexation, 3.50-4.80%, due 1981-90 .....	233 353
Water Utility System Revenue Bond Anticipation Notes	
1976 issue, 5.25%, due 7-1-81 .....	9 000 000
1979 issue, 5.875%, due 7-1-81 .....	1 000 000
	<u>14 523 353</u>
Less unamortized discount .....	38 316
	<u>14 485 037</u>
<b>WATER UTILITY LONG-TERM DEBT .....</b>	<b><u>\$ 14 485 037</u></b>

# Notes to Financial Statements

December 31, 1979

## Summary of Significant Accounting Policies:

**GENERAL.**—The Eugene Water & Electric Board, an administrative unit of the City of Eugene, Oregon, is responsible for the ownership and operation of the electric and water utilities. It has the authority to fix rates and charges for commodities or services furnished. The Board's policies conform to generally accepted accounting principles for public utilities and the accounting requirements of the Federal Energy Regulatory Commission. Significant policies are described below.

**UTILITY PLANT AND DEPRECIATION.**—Utility plant is stated substantially at original cost. Cost includes labor, materials, payments to contractors, transportation and construction equipment use and indirect costs, such as employee benefits, general and administrative expenses, allowance for funds used during construction, less customer contributions.

The cost of additions, renewals and betterments are capitalized. Repairs and minor replacements are charged to operating expenses.

With minor exceptions, the cost of property retired and removal cost, less salvage, is charged to accumulated depreciation when property is removed from service.

Depreciation is computed using straight-line composite rates which are equivalent to approximately 3.1% of the Electric Utility General System and 3.2% of the Water Utility original costs of depreciable utility plant.

**INVESTMENTS.**—U.S. Government securities included in various funds and in current assets are carried at amortized cost plus accrued interest which approximates market.

**MATERIALS AND SUPPLIES.**—Materials and supplies are carried at average cost.

**OPERATING REVENUES.**—Revenues are recognized when monthly cycle billings are made. No accrual is made for energy used between the cycle billing date and the end of the accounting period.

## Trojan Project:

The Board, as a tenant-in-common with Portland General Electric Company and Pacific Power & Light Company, owns a 30% share of the 1,130 megawatt Trojan Nuclear Power Plant.

Under Net Billing Agreements the Board has assigned to Bonneville Power Administration (BPA) and other public agency participants its 30% share of the output from the Plant. Over the life of the Project, the Board will receive payments and credits (net billings) equal to its share of all the Project costs and debt service whether or not the Project is operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of Project output. However, as provided for in the Agreements, such net billing receipts may vary substantially from expenses and costs on an annual basis. Because of the eventual netting effect, net billings are recognized in each accounting period only to the extent of current expenses. The accumulated excess of net billings over expenses is stated in the balance sheet as "Deferred Trojan Net Billings." Following is an analysis of Trojan Project net revenue:

	1979	1978
Total net billings .....	22 553 286	30 264 715
Less deferred net billings .....	534 475	11 043 075
Recognized net billings .....	22 018 811	19 221 640
Interest earned—Net .....	1 722 350	1 196 023
<b>TOTAL REVENUE</b>	<b>23 741 161</b>	<b>20 417 663</b>
Trojan operation & maintenance expense .....	7 640 844	6 839 963
Nuclear fuel amortization .....	3 585 380	907 841
Interest expense & discount amortization .....	8 925 543	8 994 776
Depreciation .....	1 692 778	1 572 444
Contributions in lieu of taxes .....	1 783 904	1 947 078
Administrative & general .....	112 712	155 561
<b>TOTAL EXPENSE</b>	<b>23 741 161</b>	<b>20 417 663</b>
<b>TROJAN PROJECT NET REVENUE</b>	<b>\$ None</b>	<b>\$ None</b>

Water Utility  
**Statement of Changes in Financial Position**  
 For the Years Ended December 31, 1979 and 1978

	<u>1979</u>	<u>1978</u>
Net revenue for the year . . . . .	1 024 478	1 227 642
Charges not requiring current funds		
Depreciation & amortization . . . . .	<u>1 087 127</u>	<u>909 596</u>
Provided from operations . . . . .	2 111 605	2 137 238
Construction funds used . . . . .		1 892 515
Increase in long-term debt . . . . .	1 089 000	
Increase in current liabilities . . . . .	<u>13 368</u>	<u>64 592</u>
<b>TOTAL FUNDS PROVIDED</b> . . . . .	<u>3 213 973</u>	<u>4 094 345</u>
Additions to utility plant—Net . . . . .	2 480 321	5 421 836
Increase in segregated cash & bond funds . . . . .	28 316	7 750
Long-term debt paid or currently maturing . . . . .	238 124	234 465
Increase in receivables, materials & prepayments . . . . .	236 851	180 434
Increase in other assets—Net . . . . .	<u>71 369</u>	<u>10 581</u>
<b>TOTAL FUNDS USED</b> . . . . .	<u>3 054 981</u>	<u>5 855 066</u>
<b>INCREASE (DECREASE) IN CASH AND SECURITIES</b> . . . . .	<u>\$ 158 992</u>	<u>\$(1 760 721)</u>

The accompanying notes are an integral part of this statement.

Water Utility  
**Statement of Net Revenue**  
 For the Years Ended December 31, 1979 and 1978

	<u>1979</u>	<u>1978</u>
Residential .....	2 358 265	1 965 620
Commercial & industrial .....	2 650 225	2 359 355
Other .....	<u>37 047</u>	<u>55 771</u>
<b>OPERATING REVENUES</b> .....	<u>5 045 537</u>	<u>4 380 746</u>
Source of supply, pumping & purification .....	593 209	507 929
Transmission & distribution .....	719 908	490 626
Administrative & general .....	659 000	541 975
Other operating expenses .....	446 319	399 132
Depreciation & amortization .....	<u>1 055 232</u>	<u>877 560</u>
<b>OPERATING EXPENSES</b> .....	<u>3 473 668</u>	<u>2 817 222</u>
<b>NET OPERATING REVENUE</b> .....	<u>1 571 869</u>	<u>1 563 524</u>
Interest earnings on investments .....	72 483	172 153
Allowance for funds used during construction .....	<u>43 400</u>	<u>79 900</u>
<b>OTHER REVENUE</b> .....	<u>115 883</u>	<u>252 053</u>
Interest expense & discount amortization .....	719 874	692 035
Allowance for borrowed funds used during construction .....	<u>(56 600)</u>	<u>(104 100)</u>
<b>REVENUE DEDUCTIONS</b> .....	<u>663 274</u>	<u>587 935</u>
<b>UTILITY NET REVENUE</b> .....	<u>\$1 024 478</u>	<u>\$1 227 642</u>

The accompanying notes are an integral part of this statement.

## Liabilities

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	<u>1979</u>	<u>1978</u>
Balance beginning of year .....	10 667 129	9 439 487
Net revenue for the year .....	<u>1 024 478</u>	<u>1 227 642</u>
<b>RETAINED EARNINGS</b> .....	<u>11 691 607</u>	<u>10 667 129</u>
<b>LONG-TERM DEBT</b> .....	<u>14 485 037</u>	<u>13 630 188</u>
Accounts payable .....	530 856	601 773
Accrued payroll & vacation pay .....	235 341	208 028
Accrued interest on long-term debt .....	363 910	310 597
Long-term debt due within one year .....	<u>238 124</u>	<u>234 465</u>
<b>CURRENT LIABILITIES</b> .....	<u>1 368 231</u>	<u>1 354 863</u>
	<u>\$27 544 875</u>	<u>\$25 652 180</u>

Water Utility  
**Balance Sheet**  
 December 31, 1979 and 1978

**Assets**

	<u>1979</u>	<u>1978</u>
Plant in service . . . . .	36 776 135	33 632 569
Less—Accumulated depreciation & amortization . . . . .	<u>12 656 036</u>	<u>11 423 865</u>
	24 120 099	22 208 704
Property held for future use . . . . .	187 560	187 560
Construction work in progress . . . . .	<u>835 854</u>	<u>1 354 055</u>
<b>UTILITY PLANT</b> . . . . .	<u>25 143 513</u>	<u>23 750 319</u>
 <b>SEGREGATED BOND FUNDS</b> . . . . .	 <u>282 275</u>	 <u>287 230</u>
 Cash & temporary investments . . . . .	 390 783	 231 791
Segregated cash & securities for payment of debt service . . . . .	488 800	455 529
Accounts receivable, less reserves 1979—\$16,914; 1978—\$12,739 . . . . .	339 586	290 491
Materials & supplies . . . . .	576 725	508 555
Prepayments & special deposits . . . . .	<u>35 057</u>	<u>15 471</u>
<b>CURRENT ASSETS</b> . . . . .	<u>1 930 951</u>	<u>1 501 837</u>
 Unamortized bond expense . . . . .	 15 593	 16 800
Deferred charges & other . . . . .	<u>172 543</u>	<u>95 994</u>
<b>OTHER ASSETS</b> . . . . .	<u>188 136</u>	<u>112 794</u>
	 <u>\$27 544 875</u>	 <u>\$25 652 180</u>

The accompanying notes are an integral part of this statement.

Electric Utility  
**Statement of Changes in Financial Position**  
 For the Years Ended December 31, 1979 and 1978

	<u>1979</u>	<u>1978</u>
Net Revenue for the year .....	8 054 815	8 107 284
Charges not requiring current funds		
Depreciation & amortization .....	3 755 397	3 528 129
Provided from operations .....	11 810 212	11 635 413
Increase in current liabilities .....	723 732	297 682
<b>TOTAL GENERAL SYSTEM</b> .....	<u>12 533 944</u>	<u>11 933 095</u>
Provided from operations—Depreciation & fuel amortization .....	5 278 158	2 480 285
Construction funds used .....	874 810	805 030
Deferred Trojan net billings .....	534 475	11 043 075
Changes in other items—Net .....	1 460 309	372 971
<b>TOTAL TROJAN PROJECT</b> .....	<u>8 147 752</u>	<u>14 701 361</u>
<b>TOTAL UTILITY FUNDS PROVIDED</b> .....	<u>20 681 696</u>	<u>26 634 456</u>
Additions to utility plant—Net .....	9 408 601	8 712 972
Long-term debt paid or currently maturing .....	1 630 000	1 320 000
Increase in receivables, materials & prepayments .....	120 423	1 465 570
Increase in construction funds .....	176 576	101 958
Other funds used—Net .....	280 918	169 017
<b>TOTAL GENERAL SYSTEM</b> .....	<u>11 616 518</u>	<u>11 769 517</u>
Additions to utility plant—Net .....	5 525 268	9 445 683
Increase in General fund .....	327 713	1 241 373
Increase in other segregated funds .....	39 771	1 829 305
Long-term debt paid or currently maturing .....	2 255 000	2 185 000
<b>TOTAL TROJAN PROJECT</b> .....	<u>8 147 752</u>	<u>14 701 361</u>
<b>TOTAL UTILITY FUNDS USED</b> .....	<u>19 764 270</u>	<u>26 470 878</u>
<b>INCREASE IN GENERAL SYSTEM CASH AND SECURITIES</b> .....	<u>\$ 917 426</u>	<u>\$ 163 578</u>

The accompanying notes are an integral part of this statement.



Electric Utility  
**Statement of Net Revenue**  
For the Years Ended December 31, 1979 and 1978

	<u>1979</u>	<u>1978</u>
Residential .....	15 873 747	14 377 310
Commercial & industrial .....	12 847 903	11 961 655
Sales to other utilities .....	5 174 398	3 978 357
Steam heating .....	1 020 851	960 198
<b>GENERAL SYSTEM OPERATING REVENUES</b> .....	<u>34 916 899</u>	<u>31 277 520</u>
Purchased power .....	7 115 663	6 558 469
Steam & hydraulic production .....	5 188 854	3 488 098
Transmission & distribution .....	3 580 955	2 989 297
Administrative & general .....	3 369 040	2 582 446
Other operating expenses .....	1 848 970	1 604 573
Depreciation & amortization .....	3 580 949	3 376 140
Contributions in lieu of taxes .....	2 181 632	2 012 916
<b>GENERAL SYSTEM OPERATING EXPENSES</b> .....	<u>26 866 063</u>	<u>22 611 939</u>
<b>GENERAL SYSTEM NET OPERATING REVENUE</b> .....	<u>8 050 836</u>	<u>8 665 581</u>
Interest earnings on investments .....	1 241 324	782 179
Allowance for funds used during construction .....	196 800	130 200
Other nonoperating revenues .....	157 301	207 117
<b>GENERAL SYSTEM OTHER REVENUE</b> .....	<u>1 595 425</u>	<u>1 119 496</u>
Interest expense & discount amortization .....	1 694 646	1 755 593
Allowance for borrowed funds used during construction .....	(103 200)	(77 800)
<b>GENERAL SYSTEM REVENUE DEDUCTIONS</b> .....	<u>1 591 446</u>	<u>1 677 793</u>
<b>TROJAN PROJECT NET REVENUE</b> .....	<u>—</u>	<u>—</u>
<b>UTILITY NET REVENUE</b> .....	<u>\$ 8 054 815</u>	<u>\$ 8 107 284</u>

The accompanying notes are an integral part of this statement.

## Liabilities

	1979			1978
	General System	Trojan Project	Total Utility	Total Utility
Balance beginning of year . . . . .	62 595 724		62 595 724	54 488 440
Net revenue for the year . . . . .	8 054 815		8 054 815	8 107 284
<b>RETAINED EARNINGS</b> . . . . .	<u>70 650 539</u>		<u>70 650 539</u>	<u>62 595 724</u>
<b>LONG-TERM DEBT</b> . . . . .	<u>34 246 814</u>	<u>145 179 150</u>	<u>179 425 964</u>	<u>183 150 536</u>
Accounts payable . . . . .	3 638 109	2 116 011	5 754 120	3 522 436
Accrued payroll & vacation pay . . . . .	724 113		724 113	707 550
Accrued interest on long-term debt . . . . .	698 706	2 883 542	3 582 248	3 569 753
Long-term debt due within one year . . . . .	1 265 000	2 255 000	3 520 000	3 415 000
<b>CURRENT LIABILITIES</b> . . . . .	<u>6 325 928</u>	<u>7 254 553</u>	<u>13 580 481</u>	<u>11 214 739</u>
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b> . . . . .	<u>160 753</u>		<u>160 753</u>	<u>165 152</u>
<b>DEFERRED TROJAN NET BILLINGS</b> . . . . .		<u>41 518 507</u>	<u>41 518 507</u>	<u>40 984 032</u>
	<u>\$111 384 034</u>	<u>\$193 952 210</u>	<u>\$305 336 244</u>	<u>\$298 110 183</u>

Electric Utility  
**Balance Sheet**  
 December 31, 1979 and 1978

**Assets**

	1979			1978
	General System	Trojan Project	Total Utility	Total Utility
Plant in service . . . . .	132 569 703	140 943 745	273 513 448	260 701 260
Less—Accumulated depreciation & amortization . . .	44 463 884	5 513 514	49 977 398	44 805 239
	88 105 819	135 430 231	223 536 050	215 896 021
Property held for future use. . . . .	627 390		627 390	627 390
Construction work in progress. . .	3 595 944		3 595 944	4 346 972
Nuclear fuel, less accumulated amortization 1979—\$9,610,163; 1978—\$6,024,783 . . . . .		23 489 268	23 489 268	24 477 955
<b>UTILITY PLANT</b> . . . . .	<u>92 329 153</u>	<u>158 919 499</u>	<u>251 248 652</u>	<u>245 348 338</u>
Bond funds . . . . .	2 745 426	10 565 248	13 310 674	13 217 420
Reserve & contingency fund . . . .		2 000 000	2 000 000	2 000 000
Renewal & replacement fund . . .	500 000		500 000	500 000
Construction fund . . . . .	1 622 644		1 622 644	2 320 878
<b>SEGREGATED FUNDS</b> . . . . .	<u>4 868 070</u>	<u>12 565 248</u>	<u>17 433 318</u>	<u>18 038 298</u>
Cash & temporary investments . .	6 935 407	3 566 053	10 501 460	9 256 321
Segregated cash & securities for payment of debt service. . . .	1 000 472	3 547 152	4 547 624	4 488 000
Receivables, less reserves 1979—\$95,140; 1978—\$84,788 .	3 918 906		3 918 906	3 536 005
Materials & supplies . . . . .	1 380 985	1 501 831	2 882 816	2 704 641
Prepayments & special deposits. .	222 655	274 601	497 256	694 748
<b>CURRENT ASSETS</b> . . . . .	<u>13 458 425</u>	<u>8 889 637</u>	<u>22 348 062</u>	<u>20 679 715</u>
Advance refunding costs . . . . .		12 364 604	12 364 604	12 781 388
Unamortized bond expense. . . . .	163 294	428 283	591 577	636 187
Deferred charges & other . . . . .	565 092	784 939	1 350 031	626 257
<b>OTHER ASSETS</b> . . . . .	<u>728 386</u>	<u>13 577 826</u>	<u>14 306 212</u>	<u>14 043 832</u>
	<u>\$111 384 034</u>	<u>\$193 952 210</u>	<u>\$305 336 244</u>	<u>\$298 110 183</u>

The accompanying notes are an integral part of this statement.

## **Eugene Water & Electric Board**

500 East 4th. Ave./P.O. Box 10148/Eugene, Oregon, 97440  
(503) 484-2411

### **Financial Statements 1979 and 1978**

To the Board of Commissioners of  
Eugene Water & Electric Board:

We have examined the financial statements of the Eugene Water & Electric Board for the years ended December 31, 1979 and 1978, which are included herein. Our examinations were made in accordance with generally accepted auditing standards and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly:

- (1) the financial position of the Electric Utility and Water Utility of the Eugene Water & Electric Board at December 31, 1979 and 1978, and the results of their operations and changes in their financial position for the years then ended; and
- (2) the assets and liabilities of the Electric Utility General System and the Trojan Project of the Eugene Water & Electric Board at December 31, 1979, and the results of their operations and changes in their financial position for the years ended December 31, 1979 and 1978,

all in conformity with generally accepted accounting principles applied on a consistent basis.

*Coopers & Lybrand*

Eugene, Oregon  
February 22, 1980

## Financial Highlights (Thousands of Dollars)

<u>Water Utility</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>	<u>1976</u>
<b>For the Year</b>				
Gross Operating Revenues	5 046	4 381	3 925	3 034
Net Operating Revenues	1 572	1 564	1 534	891
Net Revenue	1 024	1 228	1 455	787
Capital Expenditures	2 480	5 422	7 256	3 133
<b>At Year End</b>				
Net Working Capital	563	147	1 800	1 801
Long-Term Debt	14 485	13 630	13 861	14 144
Retained Earnings	11 692	10 667	9 439	7 984
<b>Electric Utility (Excluding Trojan Project)</b>				
<b>For the Year</b>				
Gross Operating Revenues	34 917	31 278	28 624	24 330
Net Operating Revenues	8 051	8 666	6 435	6 599
Net Revenue	8 055	8 107	5 500	5 822
Capital Expenditures	9 409	8 713	7 359	9 851
<b>At Year End</b>				
Net Working Capital	7 132	6 800	5 464	5 742
Long-Term Debt	34 247	35 849	37 142	38 481
Retained Earnings	70 651	62 596	54 488	48 988

To remove financial statement, tear along perforation.

