

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
OFR THE YEAR ENDED DECEMBER 31,2006**

	<u>Electric System</u>	<u>Cowlitz Falls Project</u>	<u>Total</u>
Operating Revenues			
Sales	\$ 42,441,580	\$ 13,693,972	\$ 56,135,552
Other operating revenues	1,834,585	-	1,834,585
Total Operating Revenues	<u>44,276,165</u>	<u>13,693,972</u>	<u>57,970,137</u>
Operating Expenses			
Power Supply	29,274,355	-	29,274,355
Other Operating	4,136,244	1,210,963	5,347,207
Maintenance	2,779,362	798,189	3,577,551
Depreciation	2,840,458	3,599,225	6,439,683
Taxes	3,047,897	97,629	3,145,526
Total Operating Expenses	<u>42,078,316</u>	<u>5,706,006</u>	<u>47,784,322</u>
Net Operating Revenues	2,197,849	7,987,966	10,185,815
Other Revenues (Expenses)	<u>1,279,316</u>	<u>(7,987,966)</u>	<u>(6,708,650)</u>
Net Revenues (Expenses)	3,477,165	-	3,477,165
Contributed Capital	1,157,833	-	1,157,833
Net Increase (Decrease) in Net Assets	4,634,998	-	4,634,998
Net Assets, beginning of year	<u>109,852,502</u>	<u>-</u>	<u>109,852,502</u>
Net Assets, end of year	<u>\$ 114,487,500</u>	<u>\$ -</u>	<u>\$ 114,487,500</u>