

ANNUAL REPORT FOR SMALL ELECTRIC UTILITIES
YEAR ENDED DECEMBER 31, 1998

COMPANY INFORMATION
(continued)

- 10 List any electric systems acquired during the year and any changes in the service area:
None
- 11 Where are the Company's books and records kept? _____
319 River Road, Bliss, Idaho, 83314
- 12 If the system is maintained or operated under a service contract: _____
- a. Who is the contract with? Dave Gill
- b. When does the contract expire? December 31, 1998
- c. What services and rates are included? _____
Emergency on call; Meter reading; Disconnections & Connections
- 13 If electricity is purchased for resale through the system, from whom is it purchased?
- Name of organization N/A
- Name of owner or operator _____
- Business address _____
- Telephone number (____) _____
- Total annual quantity purchased _____
- 14 How many customer complaints were received during the year? 5
- 15 How many complaints concerned quality of service? 5 General Grievances
- High bills? _____ Disconnection of service? _____
- 16 How many customers were involuntarily disconnected? None
- 17 When did customers receive a copy of the Summary of Rules as required by IDAPA
31.21.01.701? **As new customers connected** Please submit copy with Annual Report.

**ANNUAL REPORT FOR SMALL ELECTRIC UTILITIES
YEAR ENDED DECEMBER 31, 1998**

BALANCE SHEET

	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)	
ASSETS				
100	Utility Plant	281,719	287,270	5,551
107	Construction Work in Progress			-
114	Acquisition Adjustment			-
	Subtotal	281,719	287,270	5,551
108	Less: Accumulated Depreciation	(155,602)	(166,897)	(11,295)
	Net Utility Plant	126,117	120,373	(5,744)
123	Investment in Subsidiaries			-
124	Other Investments	-	-	-
	Total Investments	126,117	120,373	(5,744)
131	Cash	8,142	2,018	(6,124)
136	Short-Term Investments			-
142	Accts./Notes Receivable - Customers	3,038	4,014	976
143	Other Receivables			-
144	Less: Provision for Doubtful Accts.	()	()	
146	Receivables from Assoc. Companies			-
150	Materials and Supplies	7,000	7,000	-
166	Prepaid Expenses			-
173	Unbilled Utility Revenue			-
	Total Current Assets	18,180	13,032	(5,148)
181	Unamortized Debt Discount & Expense			-
183	Prelim. Survey & Investigation Chgs.			-
184	Rate Case Expenses			-
186	Other Deferred Charges			-
	Total Deferred Charges			-
	TOTAL ASSETS	144,297	133,405	(10,892)

**ANNUAL REPORT FOR SMALL ELECTRIC UTILITIES
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BALANCE SHEET

	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
LIABILITIES AND CAPITAL			
201	144,171	144,171	-
204			-
211	70,323	70,323	-
216	(164,955)	(178,818)	(13,863)
Total Capital	49,539	35,676	(13,863)
221	87,301	90,892	3,591
231			-
231.1			-
232	7,457	6,837	(620)
232.1			-
235			-
235.1			-
236			-
236.1			-
237			-
238			-
241			-
242			-
252			-
255			-
262			-
265			-
271			-
Total Liabilities	94,758	97,729	2,971
TOTAL LIABILITIES & CAPITAL	144,297	133,405	(10,892)

**ANNUAL REPORT FOR SMALL ELECTRIC UTILITIES
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DETAIL OF UTILITY PLANT ACCOUNTS

Classification	Balance Beginning of Year	Added During Year	Withdrawn During Year	Balance at End of Year
Organization				-
FERC License	11,422	5,551		16,973
Land & Land Rights	8,145			8,145
Steam Production Plant				-
Hydraulic Production Plant	137,364			137,364
Other Production Plant				-
Transmission Plant				-
Distribution Plant	50,554			50,554
General Plant	57,500			57,500
Office Furniture & Equipment				-
Transportation Equipment	16,734			16,734
Shop Equipment & Tools				-
Other Tangible Property				-
Total Beginning of Year	<u>281,719</u>	<u>XXXXXXXXXXXX</u>	<u>XXXXXXXXXXXX</u>	<u>XXXXXXXXXXXX</u>
Total Added During Year	<u>XXXXXXXXXXXX</u>	<u>5,551</u>	<u>XXXXXXXXXXXX</u>	<u>XXXXXXXXXXXX</u>
Total Withdrawn During Year	<u>XXXXXXXXXXXX</u>	<u>XXXXXXXXXXXX</u>		<u>XXXXXXXXXXXX</u>
Total End of Year	<u>XXXXXXXXXXXX</u>	<u>XXXXXXXXXXXX</u>	<u>XXXXXXXXXXXX</u>	<u>287,270</u>

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DETAIL OF DEPRECIATION RESERVE

ACCOUNT 110

Classification	Rate	Balance Beginning of Year	Added During Year	Retired During Year	Balance at End of Year
311					-
312		101,994	7,711		109,705
314					-
343					-
343.1		37,108	3,584		40,692
348					-
391					-
392		16,500	-		16,500
394					-
399					-
					-
Composite Depr. Rate					-
Reserve Balance Beg. of Year		155,602	XXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
Add. to Reserve During Year		XXXXXXXXXX	11,295	XXXXXXXXXX	XXXXXXXXXX
Retirements From Reserve		XXXXXXXXXX	XXXXXXXXXX		XXXXXXXXXX
Reserve Balance Close of Year		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	166,897

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STATEMENT OF EARNED SURPLUS

ACCOUNT 216

(This statement must be used for all corporations, partnerships and proprietorships)

Amount

Balance in Surplus Beginning of Year	<u>(164,956)</u>
Balance Transferred from Income Account	<u>(13,862)</u>
Other Credits	<u> </u>
Dividend Appropriations - Distribution of Earnings	<u> </u>
Other Charges	<u> </u>
Balance in Surplus Close of Year	<u>(178,818)</u>

CAPITAL STOCK

Class and Series of Stock	No. of Shares Authorized	Par on Stated Value Per Share	Outstanding Per Balance Sheet Amount	Dividends Paid
<u>Common</u>	<u>144</u>	<u>100</u>	<u>144,171</u>	<u>0</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

DETAIL OF LONG-TERM DEBT

Class & Series of Obligation	Rate	Outstanding per Balance Sheet	Interest Paid	Accrued Interest
<u>Idaho Water Resources Board</u>	<u>6%</u>	<u>3,526</u>	<u>257</u>	<u> </u>
<u>Dept. of Water Resouses</u>	<u>7%</u>	<u>20,793</u>	<u>1,671</u>	<u> </u>
<u>Lynn Stevenson -Note #1</u>	<u>10%</u>	<u>48,529</u>	<u>4,304</u>	<u> </u>
<u>Israel Ray</u>	<u>10%</u>	<u>9,201</u>	<u> </u>	<u>836</u>
<u>Zimmerman</u>	<u>10%</u>	<u>8,843</u>	<u> </u>	<u>804</u>

**ANNUAL REPORT FOR SMALL ELECTRIC UTILITIES
YEAR ENDED DECEMBER 31, 1998**

STATEMENT OF INCOME

	Current Year	Increase (Decrease) Prior Year
Operating Revenues	<u>55,955</u>	<u>6,080</u>
Operating Revenue Deductions:		
Operating Expense	<u>46,410</u>	<u>16,547</u>
Depreciation	<u>11,295</u>	<u>(93)</u>
Other Taxes	<u>4,251</u>	<u>701</u>
Federal Taxes on Income	<u>-</u>	<u>-</u>
Total Revenue Deductions	<u>61,956</u>	<u>17,155</u>
Net Operating Revenues	<u>(6,001)</u>	<u>(11,075)</u>
Income from Merchandising Jobbing & Contract		
Income from Non-Utility Operations	<u>12</u>	
Gross Income		
Interest on Long-Term Debt	<u>7,873</u>	<u>375</u>
Other Interest Charges		
Net Income	<u><u>(13,862)</u></u>	<u><u>(11,438)</u></u>

DETAIL OF OPERATING REVENUES

Flat Rate Sales	<u>925</u>	<u>425</u>
Metered Sales Residential	<u>37,361</u>	<u>4,414</u>
Metered Sales Commercial	<u>17,668</u>	<u>1,240</u>
Other Electricity Sales		<u>-</u>
Sales to Irrigation Customers		<u>-</u>
Total Operating Revenue	<u><u>55,954</u></u>	<u><u>6,079</u></u>

* Hook-up or connection fees collected \$925. To what account were they booked?

Booked to General Revenue.

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DETAIL OF OPERATING EXPENSES

Maintenance	Current Year	Increase (Decrease) Prior Year
Power Generation - Labor	6,000	-
Power Generation - Materials & Supplies	633	(1,340)
Buildings, Fixtures & Ground - Labor		-
Buildings, Fixtures & Ground - M & S		-
Transmission Lines		-
Distribution Lines		-
Services	5,544	4,518
Meters		-
Poles		-
Meter Reading Labor		-
Customer Accounting & Collection	10,800	10,800
Sales Promotion Expense		-
General Officers Salaries	18,000	-
General Office Salaries		-
General Office Supplies & Expense	154	154
Miscellaneous Expense (Attach Schedule)	5,279	2,415
Rents		-
Total Operating Expenses	46,410	16,547

OTHER TAXES

List by Types	Current Year	Increase (Decrease) Prior Year
Property Taxes	4,137	587
Idaho State Income Taxes	114	114
Total Other Taxes	4,251	701

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	Name of Plant	Year Original Construction	Name Plate Rating (kW)	Net Peak Demand (kW)	Total kW Generation
Hydro	Kirby Dam	1,907	360	125	176,103
Internal Combustion					

**SUBMIT SYSTEM MAP INDICATING LINE VOLTAGE AND SHOWING LOCATION
AND CAPACITY OF ALL TRANSFORMERS.**

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ENGINEERING

Feet of Distribution Lines

Size	In Use Beginning of Year	Installed During Year	Abandoned During Year	In Use Close of Year
2400 Volt	53,800			53,800

ELECTRIC STATISTICS

	NUMBER OF BILLS		KWH SOLD	
	This Year	Last Year	This Year	Last Year
Metered				
Residential	594	539	109,023	96,504
Commercial	62	60	67,080	70,601
Industrial				
Flat Rate				
Residential		6		
Commercial				
Industrial				
Street Lighting				
TOTALS	656	605	176,103	167,105

CERTIFICATE

State of Idaho)
) ss
County of)

WE, the undersigned Lynn E. Stevenson
and
of the Atlanta Power Company, Inc.

utility, on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business and affairs of said utility for the period covered by the return in respect to each and every matter and thing therein set forth, to the best of our knowledge, information and belief.


(Chief Officer)

(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 8th day of August, 2003



NOTARY PUBLIC

My Commission Expires 6-27-04

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DETAIL OF OPERATING EXPENSES
ATTACHMENT - SCHEDULE OF MISCELLANEOUS EXPENSE

	Current Year	Increase (Decrease) Prior Year
Insurance	1,500	(250)
Lic/Dues/Fees	2,116	1,647
Bank Charges	16	16
Bad Debts	1,647	
Travel	-	
Total Miscellaneous Expense	<u>5,279</u>	