

STATEMENT OF FINANCIAL CONDITION

Assets	2012	2011
Lines, Office Building & Operating Equipment	\$75,717,970	\$73,340,638
Less Depreciation	21,468,381	20,157,748
Net Electric Plant	54,249,589	53,182,890
Investment in Subsidiary Company	650,000	650,000
Cash & Temporary Investments	1,069,390	1,091,867
Investments in Associated Organizations	2,263,266	2,102,314
Accounts Receivable Net	1,772,653	1,765,913
Materials & Supplies	883,936	824,032
Other Current & Accrued Assets	598,904	949,318
Deferred Debits	0	0
Total Assets	\$61,487,738	\$60,566,334
Liabilities		
Patronage	\$21,797,213	\$21,184,691
Other Equities	2,051,611	2,091,340
Long Term Debt	32,629,972	33,155,726
Notes & Accounts Payable	2,116,916	1,333,904
Consumer Deposits	472,250	426,473
Accrued Taxes	356,880	328,552
Other Current & Accrued Liabilities	1,998,337	1,725,761
Deferred Credits	74,559	319,887
Total Equities & Liabilities	\$61,487,738	\$60,566,334

STATEMENT OF OPERATIONS

Source of Income	2012	2011
Residential Sales	\$13,043,779	\$12,866,468
Irrigation Sales	65,841	69,968
Small Commercial	1,372,226	1,289,129
Large Commercial	2,448,682	2,163,886
Street Lighting	35,053	42,168
Other Electric Revenue	356,597	439,247
Total Electric Revenue	\$17,332,178	\$16,870,866
Expenses		
Cost of Power	\$7,047,169	\$6,584,856
Operating & Maintenance Expenses	5,987,279	5,514,814
Depreciation & Amortization	2,087,936	1,989,554
Taxes	354,104	326,159
Interest	1,370,624	1,474,987
Total Operating Expenses	\$16,838,112	\$15,890,370
Operating Margins	\$484,066	\$980,496
Non-Operating Margins (Interest Income)	49,330	97,582
Non-Operating Margins (Other)	255,014	(25,963)
Other Capital Credits & Patronage Dividends	262,414	125,871
Total Margins	\$1,050,824	\$1,177,986

Board of Directors

Gene Butler, President, *Culdesac, ID*
 Alan Lansing, Vice-President, *Lenore, ID*
 Ken Weiss, Secretary-Treasurer, *Asotin, WA*
 Duke Harris, Asst. Secretary-Treasurer, *St. Maries, ID*
 Pam Anderson, *Potlatch, ID*
 Bob Callison, *Kendrick, ID*
 Tom Hutchinson, *Craigmont, ID*

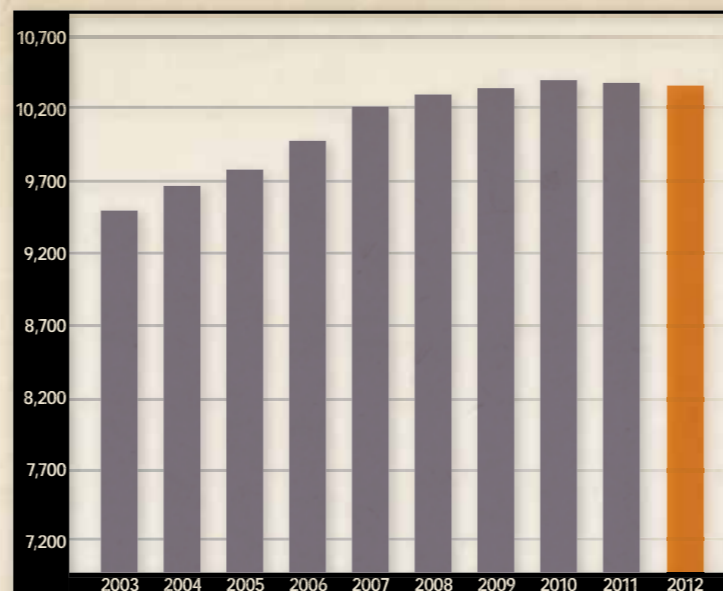
Management and Staff

Dave Hagen, *General Manager*
 Ed Ausman, *Director of Purchasing and Warehousing*
 Lisa Hall, *Manager of Financial and Office Services*
 Doug Pfaff, *Manager of Engineering*
 Bob Pierce, *Manager of Member Services*
 Scott Seegmiller, *Manager of Information Systems*
 Cynthia Tarola, *Director of Accounting*
 Lisa Tuell, *Director of Member Services*
 Stan Vannoy, *Manager of Operations*

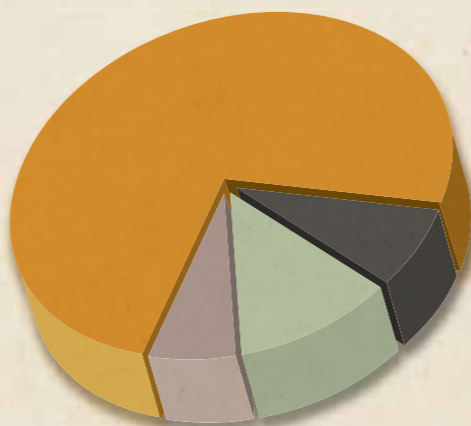
Employees

Bobette Billow, *Member Services Representative*
 Michelle Borders, *Credit Representative*
 Anna Bosshardt, *Accountant I*
 Jeff Braden, *Lineman, Lewiston Warehouse*
 Cara Crea, *Administrative Assistant*
 Kevin Cromer, *Foreman, Lewiston Warehouse*
 Cari Dilling, *Cashier/Receptionist*
 Pam Ewing, *Accountant II*

METERS SERVED

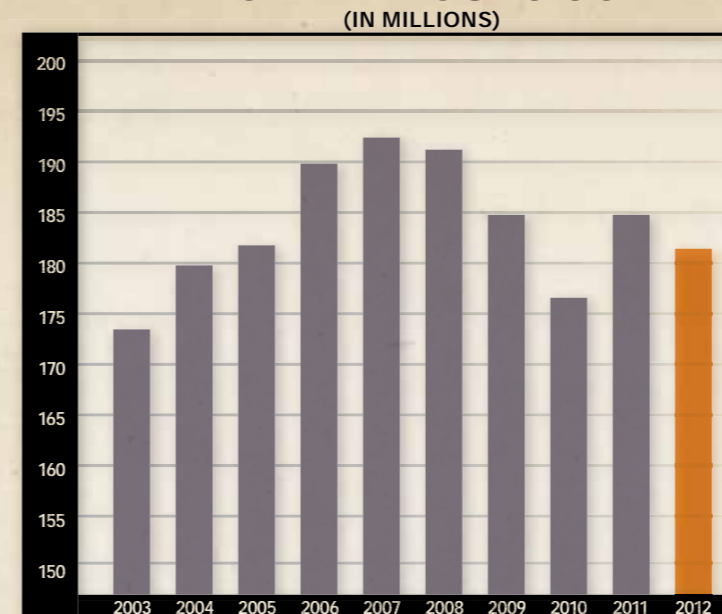


2012 REVENUE SOURCES

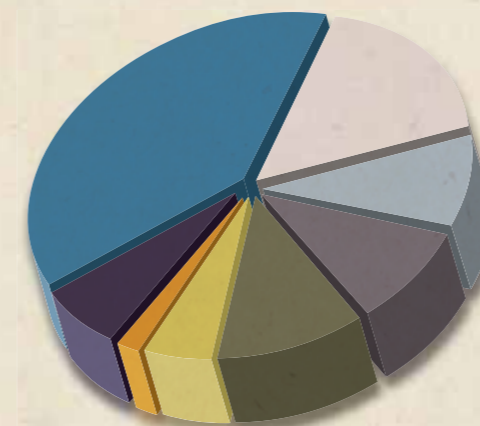


RESIDENTIAL SALES	72.91%
SMALL COMMERCIAL	7.67%
LARGE COMMERCIAL	13.69%
INTEREST & OTHER	5.73%

KILOWATT-HOURS SOLD



2012 EXPENSES



COST OF POWER	39.40%	DEPRECIATION	11.67%
MAINT. & OPER.	18.83%	CUST. ACCTS.	4.82%
GENERAL ADMIN.	9.77%	TAXES	1.98%
INTEREST	7.66%	MARGINS	5.87%

STATISTICAL INFORMATION

	2012	2011
Times Interest Earned Ratio (TIER)	1.78	1.81
Margins & Equities as a percentage of assets	38.79	38.43
Total miles of new line added	3	5
Total miles of line in service at year end	2,870	2,867
Average number of accounts per mile of line	3.61	3.63

Chris Floch, *District Serviceman, Lewiston Warehouse*
 Clint Fowler, *Lineman, Lewiston Warehouse*
 Greg Hansen, *Member Services Technician*
 Rick Jones, *Equipment Operator*
 Bruce Kennon, *Lineman, Princeton Warehouse*
 Travis Key, *Meterman*
 Doug Lacey, *Foreman, Ahsahka Warehouse*
 Nathan Manfull, *Groundperson*
 Jeff Marshall, *Communications Specialist*
 Lorrie McCabe, *Engineering Representative*

Kurt McCann, *District Serviceman, Princeton Warehouse*
 Cliff Miller, *Foreman, Princeton Warehouse*
 Matt Moore, *Lineman, Ahsahka Warehouse*
 Tom O'Connor, *Fleet Mechanic*
 Rob Parkhurst, *District Serviceman, Ahsahka Warehouse*
 Clint Reeves, *Field Engineer*
 Tim Rimmelspacher, *Warehouseperson*
 LaDana Sarbacher, *Member Services Representative*
 Thomas Stanton, *Lineman, Lewiston Warehouse*
 Joe Stockard, *Foreman, Lewiston Warehouse*

Deborah Tanner, *Operations Dispatcher*
 Casey West, *Lineman, Ahsahka Warehouse*
 Wayne White, *Lineman, Lewiston Warehouse*
 Dirk Williams, *Lineman, Princeton Warehouse*
 Lance Wilson, *Field Engineer*
Consultants
 D. Hittle & Associates, *Engineering*
 Blodgett, Mickelsen & Naef, P.S., *Auditor*
 Garry Jones, *Attorney*



THE
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2012 ANNUAL REPORT



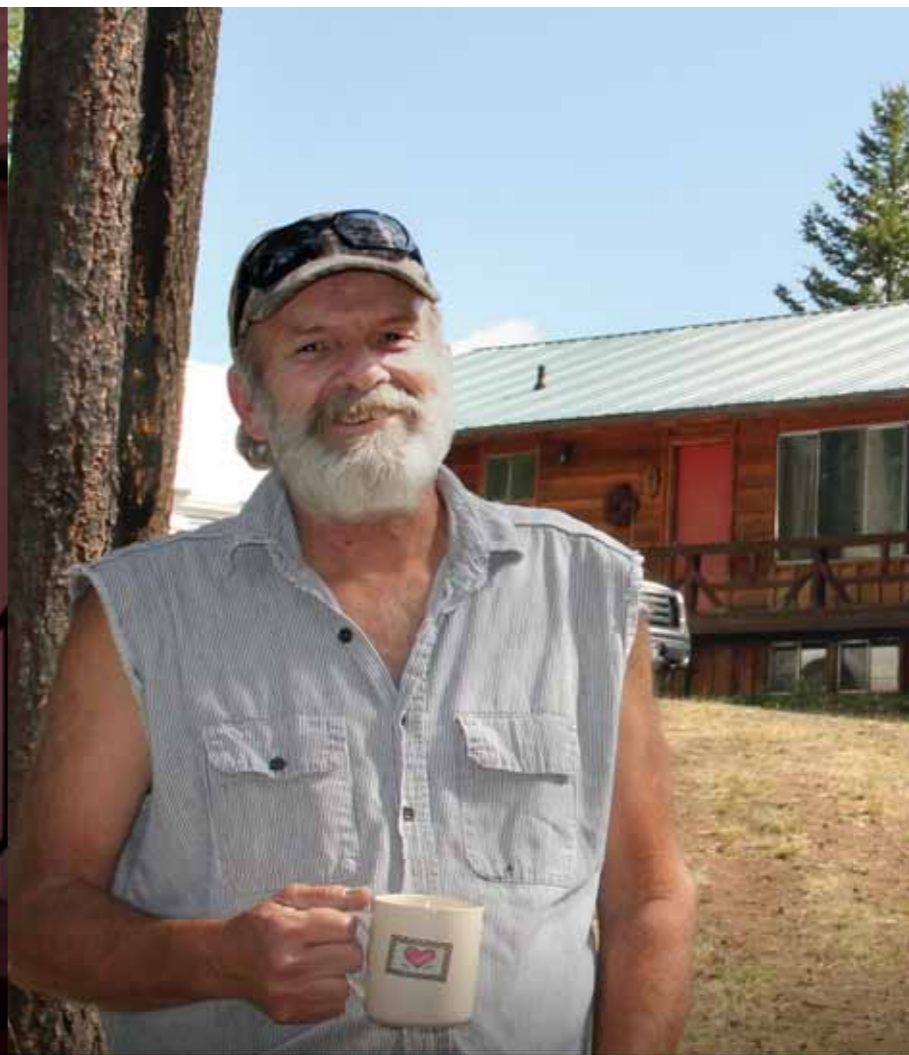
"They were just great, no problem at all. You couldn't ask for a better power company to work with."

Celeste & Omer Church on line extensions, outage repairs and tree trimming.



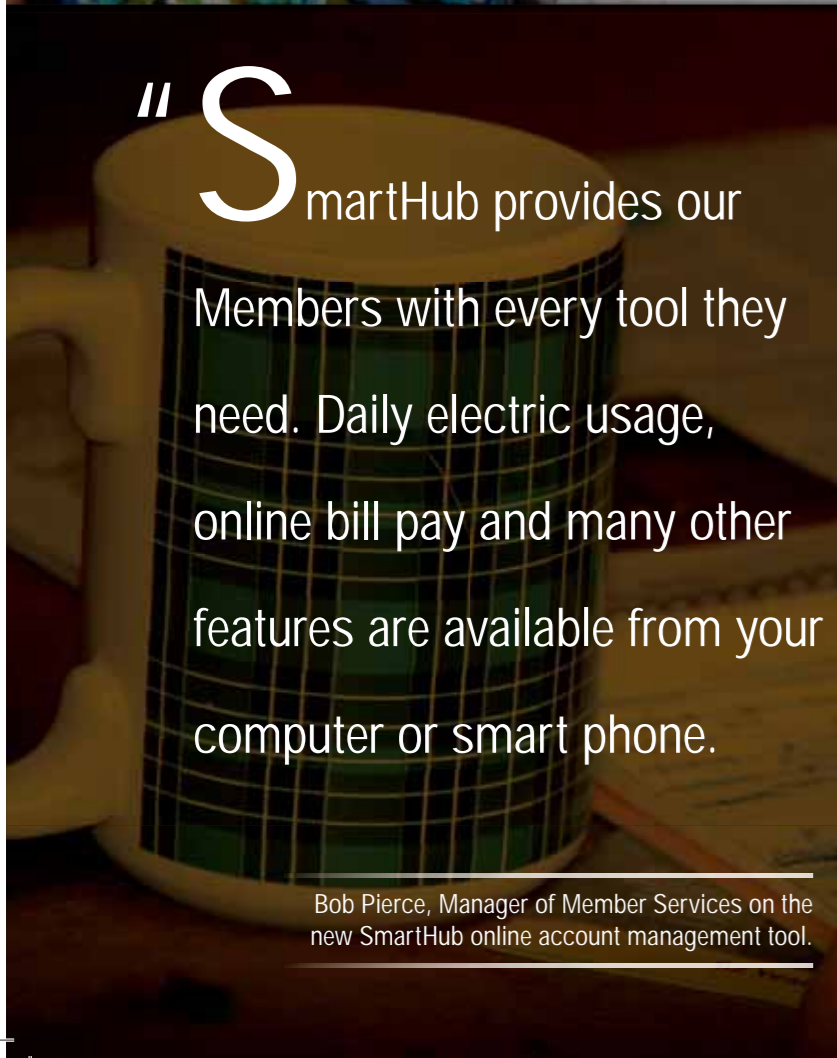
"One of the things that impressed Sam, was the speaker against drugs, and the impact that he had. And now he's bringing that back to share with his school."

Patty Weeks on her son Sam's experience at the ICUA Youth Rally



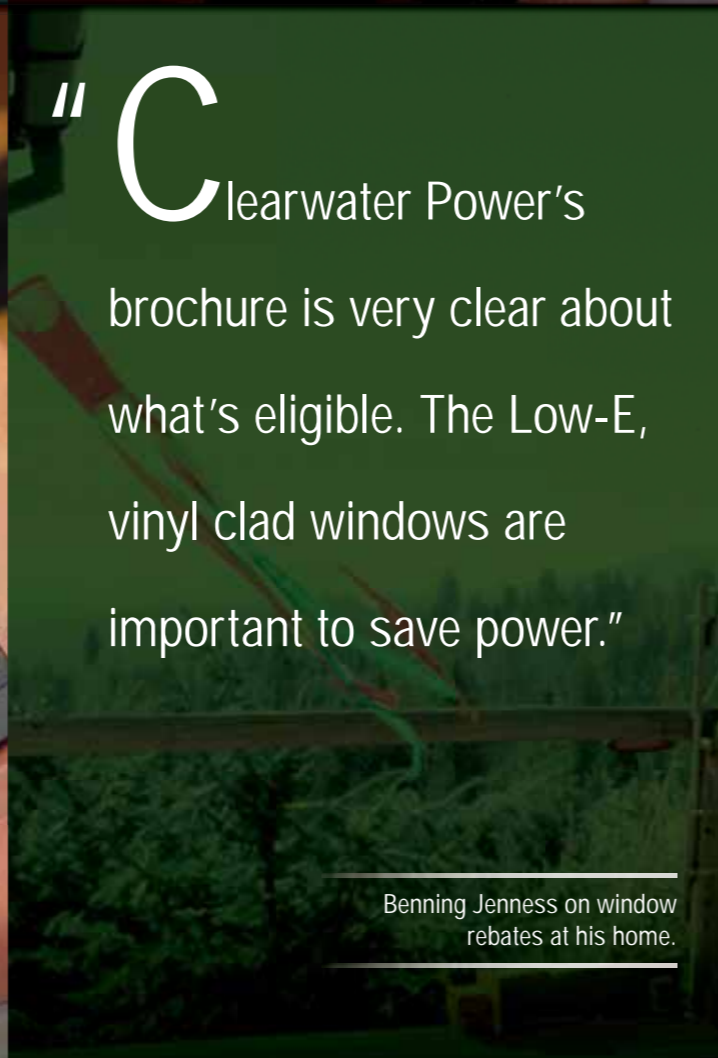
"November storms on the coast would come in and the power would go out - and it might be out for three days. But I've never lost power here for more than a day."

Matthew Hayvaz on the importance of keeping power lines clear, safe & reliable.



"SmartHub provides our Members with every tool they need. Daily electric usage, online bill pay and many other features are available from your computer or smart phone.

Bob Pierce, Manager of Member Services on the new SmartHub online account management tool.



"Clearwater Power's brochure is very clear about what's eligible. The Low-E, vinyl clad windows are important to save power."

Benning Jenness on window rebates at his home.



"My generator costs about \$100 a week and that gives me power for about six hours a day. For most of us, our lives would be impossible without electricity, even the minor stuff."

Tim Sterling is working with the co-op to build a power line to his new home site.

