

NUSHAGAK ELECTRIC AND TELEPHONE COOPERATIVE, INC.**Statements of Operations and Patronage Capital**

Years Ended December 31, 2012 and 2011

	2012	2011
Operating Revenues:		
Electric	\$ 8,612,739	\$ 7,417,256
Local network service	637,990	656,679
Network access services	2,855,781	3,146,937
Cable, net of retransmission fees of \$228,120 (\$224,981 in 2011)	222,576	205,576
Internet	502,429	442,875
Miscellaneous	47,431	58,754
Total Operating Revenues	<u>12,878,946</u>	<u>11,928,077</u>
Operating Expenses:		
Power production	6,021,007	4,896,440
Distribution	340,110	446,656
Plant specific	1,131,172	1,237,926
Plant non-specific	363,390	369,124
Depreciation	1,313,996	1,316,118
Customer	337,551	333,922
Administrative and general	2,144,992	2,378,875
Cable and internet	601,766	545,065
Operating taxes	77,738	87,952
Total Operating Expenses	<u>12,331,722</u>	<u>11,612,078</u>
Operating Margin	<u>547,224</u>	<u>315,999</u>
Other Income (Expense):		
Patronage allocations	108,070	100,086
Interest and dividend income	5,673	5,239
Interest expense	(216,577)	(130,974)
Non-regulated net income	56,690	36,882
Net Other Income (Expense)	<u>(46,144)</u>	<u>11,233</u>
Net Margin	501,080	327,232
Beginning Patronage Capital	12,422,535	12,120,074
Patronage Capital Retired	(23,407)	(25,460)
Other Adjustments	925	689
Ending Patronage Capital	<u>\$ 12,901,133</u>	<u>\$ 12,422,535</u>

See accompanying notes to financial statements.