U.S. Electric Utility Overview

Electric Utilities are Divided into 3 Activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percent of Total Costs</th>
<th>Costs per kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generation</td>
<td>64%</td>
<td>$0.66</td>
</tr>
<tr>
<td>Transmission</td>
<td>8%</td>
<td>$0.06</td>
</tr>
<tr>
<td>Distribution</td>
<td>28%</td>
<td>$0.20</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>$0.72</td>
</tr>
</tbody>
</table>

Generation (kWh) By Fuel Type: (3,838 m. mWh)

- Coal: 50%
- Nuclear: 20%
- Gas: 18%
- Hydro: 7%
- Oil: 3%
- Renewables: 2%

Customers:

<table>
<thead>
<tr>
<th>Type</th>
<th>Customers (millions)</th>
<th>kWh Sales (millions)</th>
<th>Revenues ($ billions)</th>
<th>Average Price (per kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>116,448,459</td>
<td>1,266,959</td>
<td>$107</td>
<td>$0.085</td>
</tr>
<tr>
<td>Commercial</td>
<td>15,277,434</td>
<td>1,116,248</td>
<td>$88</td>
<td>$0.079</td>
</tr>
<tr>
<td>Industrial</td>
<td>595,319</td>
<td>972,168</td>
<td>$47</td>
<td>$0.049</td>
</tr>
<tr>
<td>Other</td>
<td>1,041,821</td>
<td>107,146</td>
<td>$7</td>
<td>$0.007</td>
</tr>
<tr>
<td>Total</td>
<td>133,363,033</td>
<td>3,462,521</td>
<td>$250</td>
<td>$0.0724</td>
</tr>
</tbody>
</table>

Source: 2002 EIA data

NRECA June 2004
Rural Electric Cooperatives

Generation (kWh) By Fuel Type:

- Coal: 79%
- Nuclear: 13%
- Gas: 7%
- Hydro: <1%
- Oil: <1%
- Renewables: <1%

G&T Co-op Sales: 315b. kWh

Customers:

- Residential: 14,000,000
- Commercial: 1,500,000
- Industrial: 50,000
- Other: 220,000
- Total: 15,770,000

kWh Sales:

- Residential: 191,000 (58% of Total)
- Commercial: 61,800 (19%)
- Industrial: 69,700 (21%)
- Other: 6,500 (2%)
- Total: 329,000 (100%)

Revenues:

- Residential: $15 (67% of Total)
- Commercial: $4 (18%)
- Industrial: $3 (13%)
- Other: $1 (2%)
- Total: $23 (100%)

Average Price:

- Residential: 7.8¢
- Commercial: 7.2¢
- Industrial: 4.3¢
- Other: 7.5¢
- Total: 6.9¢

Average Size
Total # of Customers

- IOU: 700,000
- Co-op: 19,000
- Municipal: 9,800

Source: 2002 RUS/EIA data

NRECA June 2004
Total U.S. Electric Utility Comparisons, by Sector

**Customers**
- Investor-Owned (IOU) 74%
- Municipals (Muni) 14%
- Electric Cooperatives (Co-op) 12%

**Distribution Miles of Line**
- Investor-Owned (IOU) 50%
- Municipals (Muni) 7%
- Electric Cooperatives (Co-op) 43%

**Generation (3,858 m. mWh)**
- Investor-Owned (IOU) 53%
- Municipals (Muni) 10%
- Electric Cooperatives (Co-op) 9%
- Federal 7%
- Nonutility 25%

**Transmission Miles of Line**
- Investor-Owned (IOU) 73%
- Municipals (Muni) 8%
- Electric Cooperatives (Co-op) 6%
- Federal 13%

**Co-ops Serve Primarily Farms & Families (kWh Sales)**
- Co-op 58%
- IOU 36%
- Muni 35%

**Other Utilities Serve Primarily Businesses (kWh Sales)**
- Co-op 40%
- IOU 62%
- Muni 59%

**Co-ops Serve the Most Rural Areas & Have Fewest Consumers Per Mile**
- Co-op 6.6
- IOU 33.5
- Muni 43.7

**Co-ops Have Least Revenue Per Mile**
- Co-op $8,558
- IOU $58,981
- Muni $72,146

Source: 2002 RUS/EIA data

NRECA June 2004