

**CASE**

**NUMBER:**

99.225

Ernie Fletcher  
Governor

LaJuana S. Wilcher, Secretary  
Environmental and Public  
Protection Cabinet

Christopher L. Lilly  
Commissioner  
Department of Public Protection



Commonwealth of Kentucky  
**Public Service Commission**  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, Kentucky 40602-0615  
Telephone: (502) 564-3940  
Fax: (502) 564-3460  
psc.ky.gov

Mark David Goss  
Chairman

Teresa J. Hill  
Vice Chairman

Gregory Coker  
Commissioner

Honorable Elizabeth E. Blackford  
Assistant Attorney General  
Office of the Attorney General Utility & Rate Intervention Division  
1024 Capital Center Drive  
Suite 200  
Frankfort, KY 40601-8204

June 16, 2006

RE: Case No. 1999-00225

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell  
Executive Director

BOD/sa  
Enclosure

Honorable Elizabeth E. Blackford  
Assistant Attorney General  
Office of the Attorney General  
Utility & Rate Intervention Division  
1024 Capital Center Drive  
Suite 200  
Frankfort, KY 40601-8204

David K. Brock  
President  
Ibexco  
P. O. Box 523  
Corbin, KY 40702

Honorable Robert L. Brown, III  
Attorney at Law  
Robert L. Brown Law Offices  
1005 South Main Street  
Suite 101  
Corbin, KY 40701

James Curd  
Manager  
CitiPower, L.L.C.  
2122 Enterprise Road  
Greensboro, NC 27408

Garland Shaw  
CitiPower, L.L.C.  
2122 Enterprise Road  
Greensboro, NC 27408

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CITIPOWER, )  
LLC FOR AN ADJUSTMENT OF RATES )  
PURSUANT TO THE ALTERNATIVE ) CASE NO. 1999-00225  
RATE FILING PROCEDURE FOR )  
SMALL UTILITIES )

O R D E R

On March 31, 2000, the Commission issued an Order requiring Citipower, LLC ("Citipower") to make certain accounting adjustments and to take corrective actions regarding its recordkeeping. In order to monitor Citipower's compliance with these requirements, the Commission ordered Citipower to file quarterly reports 45 days after the end of each calendar quarter, beginning with the period ending June 30, 2000, that included a comparative balance sheet, a detailed income statement, and a statement of cash flows.

On May 8, 2006, Citipower requested that the Commission relieve Citipower of its obligation to file quarterly financial reports with the Commission. Citipower stated in support of its motion that its reorganization approved in Case No. 2004-00444 makes the filing of these reports unnecessary.

The Commission, having reviewed the motion and being otherwise sufficiently advised, finds that the accounting and recordkeeping adjustments the Commission required have been addressed or are no longer required due to the reorganization.

Therefore, the Commission finds that the quarterly filings are no longer necessary and that Citipower's motion should be granted.

IT IS THEREFORE ORDERED that Citipower's request to be relieved of its obligation to file the quarterly financial reports as required by our March 31, 2000 Order is granted.

Done at Frankfort, Kentucky, this 16th day of June, 2006.

By the Commission

ATTEST



Executive Director

**ROBERT L. BROWN III**

ATTORNEY AT LAW  
1005 SOUTH MAIN STREET  
CORBIN, KENTUCKY 40701

(606) 528-3073  
FAX (606) 528-3289

May 4, 2006

Public Service Commission  
Ms. Beth O'Donnell  
Executive Director  
211 Sower Blvd.  
P.O. Box 615  
Frankfort, KY 40602

RECEIVED

MAY 8 2006

PUBLIC SERVICE  
COMMISSION

**RE: CITIPOWER, LLC.  
CASE NUMBER 99-225**

Dear Ms. O'Donnell:

Enclosed please find an original and ten copies of the Request of Citipower, LLC, to be Relieved of Commission's Order dated March 17, 2000, as it relates to the above-referenced matter.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

  
Robert L. Brown III

RLB/ca

Enclosures

COMMONWEALTH OF KENTUCKY  
BEFORE THE  
KENTUCKY PUBLIC SERVICE COMMISSION

RECEIVED

MAY 8 2006

PUBLIC SERVICE  
COMMISSION

In the Matter of:

THE ALTERNATIVE RATE FILING OF CITIPOWER, LLC

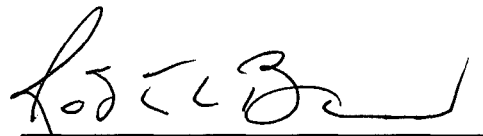
CASE NO. 99-225

REQUEST OF CITIPOWER, LLC, TO BE RELIEVED OF COMMISSION'S  
ORDER DATED MARCH 17, 2000

Comes now, Citipower, LLC, and hereby requests that it be relieved from further duties and obligations as ordered by the Commission in its Order dated March 17, 2000, specifically regarding Citipower's duty to file quarterly financial reports to the Commission. Citipower states that due to the recent reorganization as ordered in Case Number 2004-00444, said quarterly financial reports are unnecessary.

For the above stated reason, Citipower, LLC, requests that it be relieved from filing quarterly financial reports to the Commission.

Respectfully Submitted,



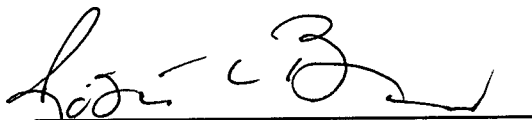
Robert L. Brown III  
1005 South Main Street  
Corbin, Kentucky 40701  
(606) 528-3073  
*Attorney for Citipower, LLC*

**CERTIFICATE**

I hereby certify that the above and foregoing was on the 4 day of May, 2006, served by mailing the original and 10 true and exact copies of same, all postage prepaid, addressed for delivery to:

Ms. Beth O'Donnell  
Executive Director  
COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION  
211 Sower Building  
P. O. BOX 615  
FRANKFORT, KENTUCKY 40602

Hon. Gregory D. Stumbo  
Attorney General  
David Edward Spenard  
Assistant Attorney General  
1024 Capital Center Drive  
Suite 200  
Frankfort, Kentucky 40601-8204

  
Robert L. Brown III





# Citipower

C

April 20, 2006

RECEIVED

MAY 1 2006

PUBLIC SERVICE  
COMMISSION


Beth O'Donnell, Executive Director  
Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

Re: Case No. 99-225 Citipower, LLC Quarterly Financial Statements

Dear Ms. O'Donnell;

Please find the enclosed Citipower, LLC Quarterly Financial Statements (comparative balance sheet and income statement) for the first quarter in 2005.

Sincerely,



John Forsberg

**Citipower, L. L. C.**  
**Profit & Loss**  
 January through March 2006

Jan - Mar 06

---

**Ordinary Income/Expense**  
**Income**

**400 · Operating Revenues**

**480 · Sales of Gas**

480.1 · Residential Sales

89,913.95

481.1 · Commercial Sales

39,369.98

481.2 · Industrial Sales

59,934.69

482.1 · Public Sales

477,328.39

**Total 480 · Sales of Gas**

666,547.01

**Total 400 · Operating Revenues**

666,547.01

**414 · Other Operating Income**

488.1 · Misc Service Revenues

100.00

488.2 · Late Charges Collected

2,210.84

488.3 · Hook up fees collected

200.00

489.2 · Other Gas Rev. -Transportation

2,828.38

414 · Other Operating Income - Other

812.70

**Total 414 · Other Operating Income**

6,151.92

**Total Income**

672,698.93

**Gross Profit**

672,698.93

**Expense**

**401 · Operation Expense**

**80X · Gas Supply Expense**

801 · Natural Gas Field Purchases

490,703.49

**Total 80X · Gas Supply Expense**

490,703.49

**85X · Transmission Expenses**

853 · Trans. Compressor Labor & Exp.

100.00

855 · Trans. Compressor Fuel & Power

855.3 · Compressor Electricity

121.86

**Total 855 · Trans. Compressor Fuel & Power**

121.86

860 · Trans. Compressor Rent

12,883.90

864 · Trans. Compressor Maintenance

1,030.36

**Total 85X · Transmission Expenses**

14,136.12

**87X · Distribution Expenses**

874 · Maintenance of Mains

88.45

875 · Measuring & Reg. Station Exp.

875.5 · Electricity - Prison Meter

23.31

**Total 875 · Measuring & Reg. Station Exp.**

23.31

**878 · Meter & House Regulator Expense**

878.1 · Meter & Reg. Labor & Exp.

360.49

878.8 · Materials & Supplies

206.23

**Total 878 · Meter & House Regulator Expense**

566.72

**881 · Rents - Distribution Expenses**

881.4 · Rent - Shop & Storage

1,738.96

**Total 881 · Rents - Distribution Expenses**

1,738.96

**Citipower, L. L. C.**  
**Profit & Loss**  
 January through March 2006

	Jan - Mar 06
<b>894 · Maintenance of Equipment</b>	
894.1 · Equipment Repairs	16.91
894.2 · Ditchwitch Maintenance	216.62
<b>Total 894 · Maintenance of Equipment</b>	233.53
<b>Total 87X · Distribution Expenses</b>	2,650.97
<b>92X · Admin. and General Expenses</b>	
<b>920 · Admin &amp; General Salaries (920)</b>	
920.2 · Mgt. Consulting Expense	8,253.00
920.4 · Management fees	37,723.85
<b>Total 920 · Admin &amp; General Salaries (920)</b>	45,976.85
<b>921 · Office Supplies/Expense</b>	
921.10 · Postage/FedEx (G&A)	930.74
921.11 · Meals/Entertainment	345.00
921.29 · Uniforms	622.57
921.3 · Dues and Subscriptions	750.00
921.4 · Office Cleaning	350.00
921.5 · Telephone	2,283.24
921.7 · Utilities (G&A)	1,410.64
921.8 · Office Supplies & Expenses	401.38
<b>Total 921 · Office Supplies/Expense</b>	7,093.57
<b>923 · Outside Services</b>	
923.2 · Accounting Fees	3,001.43
923.3 · Contract Labor - Office	480.28
923.6 · Legal & Professional Fees	32,008.58
<b>Total 923 · Outside Services</b>	35,490.29
<b>924 · Property Insurance</b>	2,962.58
<b>925 · Injuries &amp; Damages</b>	
925.5 · Employee Drug Testing Service	115.00
<b>Total 925 · Injuries &amp; Damages</b>	115.00
<b>926 · Employee Pension/Benefit (926)</b>	
926.1 · Insurance - Life	388.70
926.4 · Insurance - Medical	2,321.13
926.7 · Insurance - Workmans' Comp	784.23
926.9 · Flower Fund	59.31
<b>Total 926 · Employee Pension/Benefit (926)</b>	3,553.37
<b>930.1 · General Advertising Expenses</b>	453.11
<b>930.2 · Misc. General Expenses</b>	
930.2.5 · Misc General Exp	5.67
930.2 · Misc. General Expenses - Other	124.62
<b>Total 930.2 · Misc. General Expenses</b>	130.29
<b>932 · Maintenance of General Plant</b>	
932.6 · Termite Control - Office	100.68
<b>Total 932 · Maintenance of General Plant</b>	100.68
<b>Total 92X · Admin. and General Expenses</b>	95,875.74
<b>Total 401 · Operation Expense</b>	603,366.32

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04/27/06  
Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2006

	Jan - Mar 06
408.1 · Taxes Other Than Income Taxes	
408.1.8 · Other Taxes & Fees	200.00
<b>Total 408.1 · Taxes Other Than Income Taxes</b>	<b>200.00</b>
600 · Clearing Accounts	
656 · Employee Clearing Accounts	
656.1 · Payroll Expenses	31,827.17
<b>Total 656 · Employee Clearing Accounts</b>	<b>31,827.17</b>
667 · Transportation Expenses	
667.1 · Vehicle Expenses	2,093.22
667.4 · Vehicle Repair & Maint.	429.12
667.5 · Vehicle Insurance/Title/Fees	1,196.89
<b>Total 667 · Transportation Expenses</b>	<b>3,719.23</b>
<b>Total 600 · Clearing Accounts</b>	<b>35,546.40</b>
<b>Total Expense</b>	<b>639,112.72</b>
<b>Net Ordinary Income</b>	<b>33,586.21</b>
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
929 · Penalties	2,700.00
431 · Other Interest Expense	
431.2 · Interest expense - customer dep	31.81
<b>Total 431 · Other Interest Expense</b>	<b>31.81</b>
<b>Total Other Expense</b>	<b>2,731.81</b>
<b>Net Other Income</b>	<b>(2,731.81)</b>
<b>Net Income</b>	<b>30,854.40</b>

**Citipower, L. L. C.**  
**Balance Sheet**  
As of March 31, 2006

	Mar 31, 06	Dec 31, 05
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
131 · Cash		
131.1 · McCreary - Operating A/C	310,216.64	24,564.26
131.2 · McCreary - Business A/C	815.25	4,923.55
131.5 · Centura A/C 0411790887	25,367.86	80,846.19
131.9 · Petty Cash	500.00	500.00
<b>Total 131 · Cash</b>	<b>336,899.75</b>	<b>110,834.00</b>
<b>Total Checking/Savings</b>	<b>336,899.75</b>	<b>110,834.00</b>
<b>Accounts Receivable</b>		
142 · Customer Accounts Receivable		
142.1 · A/R - Residential/Commercial	195,699.36	298,002.54
142.2 · A/R - Payment Plan	435.05	435.05
<b>Total 142 · Customer Accounts Receivable</b>	<b>196,134.41</b>	<b>298,437.59</b>
144 · Allow for Uncollectible Accts.	(6,000.00)	(6,000.00)
<b>Total Accounts Receivable</b>	<b>190,134.41</b>	<b>292,437.59</b>
<b>Other Current Assets</b>		
134 · Other Special Deposits		
134.5 · Utility Deposits	2,036.79	2,036.79
<b>Total 134 · Other Special Deposits</b>	<b>2,036.79</b>	<b>2,036.79</b>
143 · Other Accounts Receivable		
143.5 · Transportation Fees Receivable	35,669.34	32,840.96
<b>Total 143 · Other Accounts Receivable</b>	<b>35,669.34</b>	<b>32,840.96</b>
146 · A/R from Associated Companies		
146.3 · A/R - Forexco, Inc.	(20,000.00)	(20,000.00)
<b>Total 146 · A/R from Associated Companies</b>	<b>(20,000.00)</b>	<b>(20,000.00)</b>
147.1 · PREPAID INSURANCE	36,329.43	36,329.43
<b>Total Other Current Assets</b>	<b>54,035.56</b>	<b>51,207.18</b>
<b>Total Current Assets</b>	<b>581,069.72</b>	<b>454,478.77</b>
<b>Fixed Assets</b>		
101 · Gas Plant in Service (365-399)		
369 · Prison Pipeline	1,465.83	1,465.83
376.1 · Pipeline - 1" & 2"	386,662.95	386,662.95
376.3 · Pipeline - 3"	456,479.96	456,479.96
376.4 · Pipeline - 4"	1,008,793.48	1,008,793.48
376.6 · Pipeline - 6"	492,615.37	492,615.37
377 · Compressor Station & Equipment	7,160.77	7,160.77
378.1 · Reg/Odorant Station	12,474.06	12,474.06
382 · Equipment - Meters/Setup	768,196.97	768,196.97
390 · Office Building	125,000.00	125,000.00
391.1 · Office Furniture & Equipment	11,011.80	11,011.80
391.2 · Office Software	16,801.32	16,801.32
392 · Automobiles/Vehicles	75,218.62	75,218.62
396 · Equipment - DW/Other	78,091.32	77,985.33
<b>Total 101 · Gas Plant in Service (365-399)</b>	<b>3,439,972.45</b>	<b>3,439,866.46</b>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 2006

	Mar 31, 06	Dec 31, 05
108 · Accumulated Depreciation	(1,466,908.29)	(1,466,908.29)
<b>Total Fixed Assets</b>	<b>1,973,064.16</b>	<b>1,972,958.17</b>
<b>TOTAL ASSETS</b>	<b>2,554,133.88</b>	<b>2,427,436.94</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
232 · Accounts Payable	420,509.15	338,821.51
<b>Total Accounts Payable</b>	<b>420,509.15</b>	<b>338,821.51</b>
<b>Other Current Liabilities</b>		
Accrued Payroll	3,260.08	3,260.08
Garnishment	(285.48)	0.00
231 · Notes Payable		
231.9 · CitiEnergy, LLC	253,053.94	243,053.94
<b>Total 231 · Notes Payable</b>	<b>253,053.94</b>	<b>243,053.94</b>
235 · Customer Deposits	7,188.82	7,038.82
236 · Taxes Accrued		
236.2 · Sales Tax Payable	1,374.06	2,959.09
236.3 · Severance Tax Payable	2,583.73	(6,487.08)
236.4 · School Tax Payable	3,915.92	7,111.32
<b>Total 236 · Taxes Accrued</b>	<b>7,873.71</b>	<b>3,583.33</b>
237 · Interest Accrued	3,826.58	3,826.58
242 · Misc. / Other Liabilities		
242.2 · Liability - Citizens Gas Check	5,541.70	5,541.70
242 · Misc. / Other Liabilities - Other	227.50	227.50
<b>Total 242 · Misc. / Other Liabilities</b>	<b>5,769.20</b>	<b>5,769.20</b>
<b>Total Other Current Liabilities</b>	<b>280,686.85</b>	<b>266,531.95</b>
<b>Total Current Liabilities</b>	<b>701,196.00</b>	<b>605,353.46</b>
<b>Total Liabilities</b>	<b>701,196.00</b>	<b>605,353.46</b>
<b>Equity</b>		
216 · Retained Earnings	(3,715,759.47)	(3,580,895.71)
218 · Member's Capital Contributions		
218.0 · Opening Bal Equity	5,537,842.95	5,537,842.95
<b>Total 218 · Member's Capital Contributions</b>	<b>5,537,842.95</b>	<b>5,537,842.95</b>
Net Income	30,854.40	(134,863.76)
<b>Total Equity</b>	<b>1,852,937.88</b>	<b>1,822,083.48</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,554,133.88</b>	<b>2,427,436.94</b>



# Citipower

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**RECEIVED**

**MAR 10 2006**

**PUBLIC SERVICE  
COMMISSION**

March 7, 2006

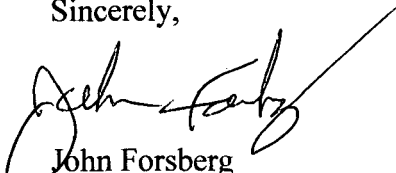
Beth O'Donnell, Executive Director  
Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

Re: Case No. 99-225 Citipower, LLC Quarterly Financial Statements

Dear Ms. O'Donnell;

Please find the enclosed Citipower, LLC Quarterly Financial Statements (comparative balance sheet and income statement) for the four quarters in 2005.

Sincerely,



John Forsberg

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of December 31, 2005

	Dec 31, 05	Sep 30, 05
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
<b>131 - Cash</b>		
131.1 - McCreary - Operating A/C	24,564.26	4,512.23
131.2 - McCreary - Business A/C	4,923.55	5,494.27
131.5 - Centura A/C 0411790887	80,846.19	18,693.02
131.9 - Petty Cash	500.00	500.00
<b>Total 131 - Cash</b>	<b>110,834.00</b>	<b>29,199.52</b>
<b>Total Checking/Savings</b>	<b>110,834.00</b>	<b>29,199.52</b>
<b>Accounts Receivable</b>		
<b>142 - Customer Accounts Receivable</b>		
142.1 - A/R - Residential/Commercial	298,002.54	72,706.53
142.2 - A/R - Payment Plan	435.05	435.05
<b>Total 142 - Customer Accounts Receivable</b>	<b>298,437.59</b>	<b>73,141.58</b>
<b>144 - Allow for Uncollectible Accts.</b>	<b>(6,000.00)</b>	<b>(6,000.00)</b>
<b>Total Accounts Receivable</b>	<b>292,437.59</b>	<b>67,141.58</b>
<b>Other Current Assets</b>		
<b>134 - Other Special Deposits</b>		
134.5 - Utility Deposits	2,036.79	1,995.78
<b>Total 134 - Other Special Deposits</b>	<b>2,036.79</b>	<b>1,995.78</b>
<b>143 - Other Accounts Receivable</b>		
143.5 - Transportation Fees Receivable	32,840.96	29,777.52
<b>Total 143 - Other Accounts Receivable</b>	<b>32,840.96</b>	<b>29,777.52</b>
<b>146 - A/R from Associated Companies</b>		
146.3 - A/R - Forexco, Inc.	(20,000.00)	(10,000.00)
<b>Total 146 - A/R from Associated Companies</b>	<b>(20,000.00)</b>	<b>(10,000.00)</b>
<b>147.1 - PREPAID INSURANCE</b>	<b>36,329.43</b>	<b>36,329.43</b>
<b>Total Other Current Assets</b>	<b>51,207.18</b>	<b>58,102.73</b>
<b>Total Current Assets</b>	<b>454,478.77</b>	<b>154,443.83</b>
<b>Fixed Assets</b>		
<b>101 - Gas Plant in Service (365-399)</b>		
367.N - Pipeline Line - Steel - N	0.00	1,053,723.97
368.N - Compressor Station & Equip. - N	0.00	134,535.18
369 - Prison Pipeline	1,465.83	1,465.83
376.1 - Pipeline - 1" & 2"	386,662.95	386,662.95
376.3 - Pipeline - 3"	456,479.96	456,479.96
376.4 - Pipeline - 4"	5,008,793.48	1,008,793.48
376.6 - Pipeline - 6"	492,615.37	492,615.37
377 - Compressor Station & Equipment	7,160.77	7,160.77
378.1 - Reg/Odorant Station	12,474.06	12,474.06
382 - Equipment - Meters/Setup	768,196.97	768,196.97
390 - Office Building	125,000.00	125,000.00
391.1 - Office Furniture & Equipment	11,011.80	11,011.80
391.2 - Office Software	16,801.32	16,801.32
392 - Automobiles/Vehicles	75,218.62	75,218.62
396 - Equipment - DW/Other	77,985.33	77,985.33
<b>Total 101 - Gas Plant in Service (365-399)</b>	<b>3,439,866.46</b>	<b>4,628,125.61</b>



**Citipower, L. L. C.**  
**Balance Sheet**  
As of December 31, 2005

	Dec 31, 05	Sep 30, 05
108 · Accumulated Depreciation	(1,324,266.43)	(1,761,388.25)
<b>Total Fixed Assets</b>	<b>2,115,600.03</b>	<b>2,866,737.36</b>
<b>Other Assets</b>		
123 · Investment in Assoc. Companies		
123.1 · LBU, LLC investment	0.00	2,314,123.62
123.2 · Citigas, LLC investment	0.00	2,010,216.27
<b>Total 123 · Investment in Assoc. Companies</b>	<b>0.00</b>	<b>4,324,339.89</b>
<b>Total Other Assets</b>	<b>0.00</b>	<b>4,324,339.89</b>
<b>TOTAL ASSETS</b>	<b>2,570,078.80</b>	<b>7,345,521.08</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable		
232 · Accounts Payable	173,302.10	40,524.68
<b>Total Accounts Payable</b>	<b>173,302.10</b>	<b>40,524.68</b>
<b>Other Current Liabilities</b>		
Accrued Payroll	3,260.08	3,260.08
231 · Notes Payable		
231.1 · Note Payable - Bank of McCreary	0.00	997,867.61
231.2 · Line of Credit	0.00	495,000.00
231.9 · CitiEnergy, LLC	243,053.94	0.00
<b>Total 231 · Notes Payable</b>	<b>243,053.94</b>	<b>1,492,867.61</b>
235 · Customer Deposits	7,038.82	5,888.82
236 · Taxes Accrued		
236.2 · Sales Tax Payable	2,959.09	213.12
236.3 · Severance Tax Payable	(6,487.08)	(1,360.76)
236.4 · School Tax Payable	7,111.32	1,001.67
<b>Total 236 · Taxes Accrued</b>	<b>3,583.33</b>	<b>(145.97)</b>
237 · Interest Accrued	3,826.58	3,826.58
242 · Misc. / Other Liabilities		
242.2 · Liability - Citizens Gas Check	37,850.25	0.00
242 · Misc. / Other Liabilities - Other	227.50	227.50
<b>Total 242 · Misc. / Other Liabilities</b>	<b>38,077.75</b>	<b>227.50</b>
<b>Total Other Current Liabilities</b>	<b>298,840.50</b>	<b>1,505,924.62</b>
<b>Total Current Liabilities</b>	<b>472,142.60</b>	<b>1,546,449.30</b>
<b>Total Liabilities</b>	<b>472,142.60</b>	<b>1,546,449.30</b>
<b>Equity</b>		
216 · Retained Earnings	(3,580,895.71)	(3,580,895.71)
218 · Member's Capital Contributions		
218.0 · Opening Bal Equity	5,537,842.95	0.00
218.3 · Class B - Capital Contributed	0.00	8,730,760.26
218.5 · Class C - 7% Preferred	0.00	466,574.52
218.7 · Class D - 7% Preferred	0.00	583,686.95
<b>Total 218 · Member's Capital Contributions</b>	<b>5,537,842.95</b>	<b>9,781,021.73</b>

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of December 31, 2005

	Dec 31, 05	Sep 30, 05
<b>219 · Member's Capital Distributions</b>		
219.3 · Class B - Distributions	0.00	(111,365.67)
219.5 · Class C - Distributions	0.00	(167,273.50)
219.7 · Class D - Distributions	0.00	(131,930.00)
<b>Total 219 · Member's Capital Distributions</b>	0.00	(410,569.17)
<b>Net Income</b>	140,988.96	9,514.93
<b>Total Equity</b>	2,097,936.20	5,799,071.78
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u>2,570,078.80</u>	<u>7,345,521.08</u>

**Citipower, L. L. C.**  
**Profit & Loss**  
 October through December 2005

Oct - Dec 05

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Ordinary Income/Expense  
 Income

400 · Operating Revenues	
480 · Sales of Gas	
480.1 · Residential Sales	62,014.79
481.1 · Commercial Sales	31,016.05
481.2 · Industrial Sales	41,430.01
482.1 · Public Sales	312,375.16
Total 480 · Sales of Gas	446,836.01
Total 400 · Operating Revenues	446,836.01
414 · Other Operating Income	
488.1 · Misc Service Revenues	325.00
488.2 · Late Charges Collected	988.60
488.3 · Hook up fees collected	450.00
489.2 · Other Gas Rev. -Transportation	8,972.58
Total 414 · Other Operating Income	10,736.18
Total Income	457,572.19
Gross Profit	457,572.19

Expense

401 · Operation Expense	
80X · Gas Supply Expense	
801 · Natural Gas Field Purchases	151,819.58
Total 80X · Gas Supply Expense	151,819.58
85X · Transmission Expenses	
853 · Trans. Compressor Labor & Exp.	329.60
855 · Trans. Compressor Fuel & Power	
855.3 · Compressor Electricity	50.05
855.4 · Compressor Telephone	75.91
Total 855 · Trans. Compressor Fuel & Power	125.96
860 · Trans. Compressor Rent	10,722.72
861 · Trans Compressor Station Rent	1,450.00
Total 85X · Transmission Expenses	12,628.28
87X · Distribution Expenses	
875 · Measuring & Reg. Station Exp.	
875.5 · Electricity - Prison Meter	23.68
875 · Measuring & Reg. Station Exp. - Other	5,475.86
Total 875 · Measuring & Reg. Station Exp.	5,499.54
876 · Sales Mtr Measuring Station Ren	300.00
878 · Meter & House Regulator Expense	
878.3 · Meters & Regulators	808.64
878.5 · Equipment Rental	432.00
878.8 · Materials & Supplies	2,199.30
Total 878 · Meter & House Regulator Expense	3,439.94
881 · Rents - Distribution Expenses	
881.4 · Rent - Shop & Storage	1,699.04
881.5 · Easements	79.00
Total 881 · Rents - Distribution Expenses	1,778.04

**Citipower, L. L. C.**  
**Profit & Loss**  
 October through December 2005

	Oct - Dec 05
<b>894 · Maintenance of Equipment</b>	
894.1 · Equipment Repairs	199.53
894.2 · Ditchwitch Maintenance	170.43
894 · Maintenance of Equipment - Other	335.00
	704.96
<b>Total 894 · Maintenance of Equipment</b>	
<b>Total 87X · Distribution Expenses</b>	11,722.48
<b>92X · Admin. and General Expenses</b>	
<b>920 · Admin &amp; General Salaries (920)</b>	
920.2 · Mgt. Consulting Expense	8,028.85
920.4 · Management fees	32,982.68
	41,011.53
<b>Total 920 · Admin &amp; General Salaries (920)</b>	
<b>921 · Office Supplies/Expense</b>	
921.10 · Postage/FedEx (G&A)	530.32
921.11 · Meals/Entertainment	669.13
921.2 · Bank Svce Chgs (G&A)	19.56
921.29 · Uniforms	661.31
921.3 · Dues and Subscriptions	6.99
921.4 · Office Cleaning	414.47
921.5 · Telephone	3,169.66
921.7 · Utilities (G&A)	797.04
921.8 · Office Supplies & Expenses	233.69
	6,502.17
<b>Total 921 · Office Supplies/Expense</b>	
<b>923 · Outside Services</b>	
923.1 · Engineering Services	1,558.40
923.2 · Accounting Fees	4,295.85
923.3 · Contract Labor - Office	689.50
923.6 · Legal & Professional Fees	16,004.69
	22,548.44
<b>Total 923 · Outside Services</b>	
<b>925 · Injuries &amp; Damages</b>	
925.3 · Employee Medical Expense	84.00
	84.00
<b>Total 925 · Injuries &amp; Damages</b>	
<b>926 · Employee Pension/Benefit (926)</b>	
926.1 · Insurance - Life	315.92
926.4 · Insurance - Medical	2,423.59
926.7 · Insurance - Workmans' Comp	1,566.10
	4,305.61
<b>Total 926 · Employee Pension/Benefit (926)</b>	
<b>930.2 · Misc. General Expenses</b>	
930.2.5 · Misc General Exp	2.60
	2.60
<b>Total 930.2 · Misc. General Expenses</b>	
<b>932 · Maintenance of General Plant</b>	
932.2 · Repairs & Maintenance - Office	45.97
932.6 · Termite Control - Office	0.00
	45.97
<b>Total 932 · Maintenance of General Plant</b>	
<b>Total 92X · Admin. and General Expenses</b>	74,500.32
<b>Total 401 · Operation Expense</b>	250,670.66

**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 2005

	<u>Oct - Dec 05</u>
<b>408.1 · Taxes Other Than Income Taxes</b>	
408.1.2 · PSC Assessment	16,115.29
408.1.4 · Property Taxes	6,352.82
<b>Total 408.1 · Taxes Other Than Income Taxes</b>	<u>22,468.11</u>
<b>600 · Clearing Accounts</b>	
656 · Employee Clearing Accounts	
656.1 · Payroll Expenses	25,491.33
<b>Total 656 · Employee Clearing Accounts</b>	<u>25,491.33</u>
667 · Transportation Expenses	
667.1 · Vehicle Expenses	2,129.92
667.4 · Vehicle Repair & Maint.	2,806.72
667.5 · Vehicle Insurance/Title/Fees	1,223.78
<b>Total 667 · Transportation Expenses</b>	<u>6,160.42</u>
<b>Total 600 · Clearing Accounts</b>	<u>31,651.75</u>
<b>Total Expense</b>	<u>304,790.52</u>
<b>Net Ordinary Income</b>	152,781.67
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
426 · Donations	40.00
431 · Other Interest Expense	
431.2 · Interest expense - customer dep	2.70
431.4 · Interest-Note Payable	21,264.94
<b>Total 431 · Other Interest Expense</b>	<u>21,267.64</u>
<b>Total Other Expense</b>	<u>21,307.64</u>
<b>Net Other Income</b>	<u>(21,307.64)</u>
<b>Net Income</b>	<u><u>131,474.03</u></u>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 2005

	Sep 30, 05	Jun 30, 05
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
<b>131 · Cash</b>		
131.1 · McCreary - Operating A/C	4,512.23	110,675.21
131.2 · McCreary - Business A/C	5,494.27	5,337.81
131.5 · Centura A/C 0411790887	18,693.02	14,909.97
131.9 · Petty Cash	500.00	500.00
<b>Total 131 · Cash</b>	<b>29,199.52</b>	<b>131,422.99</b>
<b>Total Checking/Savings</b>	<b>29,199.52</b>	<b>131,422.99</b>
<b>Accounts Receivable</b>		
<b>142 · Customer Accounts Receivable</b>		
142.1 · A/R - Residential/Commercial	72,706.53	125,510.67
142.2 · A/R - Payment Plan	435.05	418.38
<b>Total 142 · Customer Accounts Receivable</b>	<b>73,141.58</b>	<b>125,929.05</b>
<b>144 · Allow for Uncollectible Accts.</b>	<b>(6,000.00)</b>	<b>(6,000.00)</b>
<b>Total Accounts Receivable</b>	<b>67,141.58</b>	<b>119,929.05</b>
<b>Other Current Assets</b>		
<b>134 · Other Special Deposits</b>		
134.5 · Utility Deposits	1,995.78	1,427.19
<b>Total 134 · Other Special Deposits</b>	<b>1,995.78</b>	<b>1,427.19</b>
<b>143 · Other Accounts Receivable</b>		
143.5 · Transportation Fees Receivable	29,777.52	24,503.16
<b>Total 143 · Other Accounts Receivable</b>	<b>29,777.52</b>	<b>24,503.16</b>
<b>146 · A/R from Associated Companies</b>		
146.3 · A/R - Forexco, Inc.	(10,000.00)	1,225.00
<b>Total 146 · A/R from Associated Companies</b>	<b>(10,000.00)</b>	<b>1,225.00</b>
<b>147.1 · PREPAID INSURANCE</b>	<b>36,329.43</b>	<b>36,329.43</b>
<b>Total Other Current Assets</b>	<b>58,102.73</b>	<b>63,484.78</b>
<b>Total Current Assets</b>	<b>154,443.83</b>	<b>314,836.82</b>
<b>Fixed Assets</b>		
<b>101 · Gas Plant in Service (365-399)</b>		
367.N · Pipeline Line - Steel - N	1,053,723.97	1,053,723.97
368.N · Compressor Station & Equip. - N	134,535.18	134,535.18
369 · Prison Pipeline	1,465.83	1,465.83
376.1 · Pipeline - 1" & 2"	386,662.95	386,662.95
376.3 · Pipeline - 3"	456,479.96	456,479.96
376.4 · Pipeline - 4"	1,008,793.48	1,008,793.48
376.6 · Pipeline - 6"	492,615.37	492,615.37
377 · Compressor Station & Equipment	7,160.77	7,160.77
378.1 · Reg/Odorant Station	12,474.06	12,474.06
382 · Equipment - Meters/Setup	768,196.97	768,196.97
390 · Office Building	125,000.00	125,000.00
391.1 · Office Furniture & Equipment	11,011.80	11,011.80
391.2 · Office Software	16,801.32	16,801.32
392 · Automobiles/Vehicles	75,218.62	75,218.62
396 · Equipment - DW/Other	77,985.33	77,985.33
<b>Total 101 · Gas Plant in Service (365-399)</b>	<b>4,628,125.61</b>	<b>4,628,125.61</b>

**Citipower, L. L. C.**  
**Balance Sheet**  
As of September 30, 2005

	Sep 30, 05	Jun 30, 05
108 · Accumulated Depreciation	(1,761,388.25)	(1,761,388.25)
<b>Total Fixed Assets</b>	<b>2,866,737.36</b>	<b>2,866,737.36</b>
<b>Other Assets</b>		
123 · Investment in Assoc. Companies		
123.1 · LBU, LLC investment	2,314,123.62	2,314,123.62
123.2 · Citigas, LLC investment	2,010,216.27	2,010,216.27
<b>Total 123 · Investment in Assoc. Companies</b>	<b>4,324,339.89</b>	<b>4,324,339.89</b>
<b>Total Other Assets</b>	<b>4,324,339.89</b>	<b>4,324,339.89</b>
<b>TOTAL ASSETS</b>	<b>7,345,521.08</b>	<b>7,505,914.07</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
232 · Accounts Payable	40,524.68	145,537.73
<b>Total Accounts Payable</b>	<b>40,524.68</b>	<b>145,537.73</b>
<b>Other Current Liabilities</b>		
Accrued Payroll	3,260.08	3,260.08
231 · Notes Payable		
231.1 · Note Payable - Bank of McCreary	997,867.61	997,867.61
231.2 · Line of Credit	495,000.00	495,000.00
<b>Total 231 · Notes Payable</b>	<b>1,492,867.61</b>	<b>1,492,867.61</b>
235 · Customer Deposits	5,888.82	5,638.82
236 · Taxes Accrued		
236.2 · Sales Tax Payable	213.12	302.40
236.3 · Severance Tax Payable	(1,360.76)	5,975.39
236.4 · School Tax Payable	1,001.67	961.94
<b>Total 236 · Taxes Accrued</b>	<b>(145.97)</b>	<b>7,239.73</b>
237 · Interest Accrued	3,826.58	3,826.58
242 · Misc. / Other Liabilities		
242.2 · Liability - Citizens Gas Check	0.00	(42,017.84)
242 · Misc. / Other Liabilities - Other	227.50	227.50
<b>Total 242 · Misc. / Other Liabilities</b>	<b>227.50</b>	<b>(41,790.34)</b>
<b>Total Other Current Liabilities</b>	<b>1,505,924.62</b>	<b>1,471,042.48</b>
<b>Total Current Liabilities</b>	<b>1,546,449.30</b>	<b>1,616,580.21</b>
<b>Total Liabilities</b>	<b>1,546,449.30</b>	<b>1,616,580.21</b>
<b>Equity</b>		
216 · Retained Earnings	(3,580,895.71)	(3,580,895.71)
218 · Member's Capital Contributions		
218.3 · Class B - Capital Contributed	8,730,760.26	8,730,760.26
218.5 · Class C - 7% Preferred	466,574.52	466,574.52
218.7 · Class D - 7% Preferred	583,686.95	583,686.95
<b>Total 218 · Member's Capital Contributions</b>	<b>9,781,021.73</b>	<b>9,781,021.73</b>
219 · Member's Capital Distributions		
219.3 · Class B - Distributions	(111,365.67)	(111,365.67)
219.5 · Class C - Distributions	(167,273.50)	(159,108.46)
219.7 · Class D - Distributions	(131,930.00)	(131,930.00)

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of September 30, 2005

	<u>Sep 30, 05</u>	<u>Jun 30, 05</u>
Total 219 · Member's Capital Distributions	(410,569.17)	(402,404.13)
Net Income	9,514.93	91,611.97
Total Equity	<u>5,799,071.78</u>	<u>5,889,333.86</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>7,345,521.08</u></b>	<b><u>7,505,914.07</u></b>



**Citipower, L. L. C.**  
**Profit & Loss**  
 July through September 2005

Jul - Sep 05

**Ordinary Income/Expense**  
**Income**

<b>400 · Operating Revenues</b>	
<b>480 · Sales of Gas</b>	
480.1 · Residential Sales	7,625.30
481.1 · Commercial Sales	11,787.55
481.2 · Industrial Sales	187.63
482.1 · Public Sales	132,162.03
<b>Total 480 · Sales of Gas</b>	151,762.51
<b>Total 400 · Operating Revenues</b>	151,762.51
<b>414 · Other Operating Income</b>	
488.1 · Misc Service Revenues	75.00
488.2 · Late Charges Collected	598.18
488.3 · Hook up fees collected	200.00
489.2 · Other Gas Rev. -Transportation	8,799.71
<b>Total 414 · Other Operating Income</b>	9,672.89
<b>Total Income</b>	161,435.40

**Gross Profit** 161,435.40

**Expense**

<b>401 · Operation Expense</b>	
<b>80X · Gas Supply Expense</b>	
801 · Natural Gas Field Purchases	60,583.67
<b>Total 80X · Gas Supply Expense</b>	60,583.67
<b>85X · Transmission Expenses</b>	
853 · Trans. Compressor Labor & Exp.	2,620.30
855 · Trans. Compressor Fuel & Power	
855.3 · Compressor Electricity	72.42
855.4 · Compressor Telephone	126.74
855 · Trans. Compressor Fuel & Power - Other	16.05
<b>Total 855 · Trans. Compressor Fuel &amp; Power</b>	215.21
860 · Trans. Compressor Rent	10,204.53
<b>Total 85X · Transmission Expenses</b>	13,040.04
<b>87X · Distribution Expenses</b>	
874 · Maintenance of Mains	501.41
875 · Measuring & Reg. Station Exp.	
875.5 · Electricity - Prison Meter	29.88
<b>Total 875 · Measuring &amp; Reg. Station Exp.</b>	29.88
878 · Meter & House Regulator Expense	
878.8 · Materials & Supplies	344.43
<b>Total 878 · Meter &amp; House Regulator Expense</b>	344.43
<b>881 · Rents - Distribution Expenses</b>	
881.4 · Rent - Shop & Storage	1,680.00
881.5 · Easements	2,400.00
<b>Total 881 · Rents - Distribution Expenses</b>	4,080.00

Citipower, L. L. C.  
Profit & Loss  
July through September 2005

	Jul - Sep 05
894 · Maintenance of Equipment	
894.2 · Ditchwitch Maintenance	46.94
Total 894 · Maintenance of Equipment	46.94
Total 87X · Distribution Expenses	5,002.66
92X · Admin. and General Expenses	
920 · Admin & General Salaries (920)	
920.2 · Mgt. Consulting Expense	16,799.77
920.4 · Management fees	30,000.00
Total 920 · Admin & General Salaries (920)	46,799.77
921 · Office Supplies/Expense	
921.10 · Postage/FedEx (G&A)	691.81
921.11 · Meals/Entertainment	522.38
921.29 · Uniforms	634.35
921.3 · Dues and Subscriptions	21.08
921.4 · Office Cleaning	355.00
921.5 · Telephone	3,043.52
921.7 · Utilities (G&A)	851.75
921.8 · Office Supplies & Expenses	214.33
Total 921 · Office Supplies/Expense	6,334.22
923 · Outside Services	
923.1 · Engineering Services	1,738.75
923.2 · Accounting Fees	3,413.43
923.3 · Contract Labor - Office	592.00
923.6 · Legal & Professional Fees	22,379.60
Total 923 · Outside Services	28,123.78
925 · Injuries & Damages	
925.5 · Employee Drug Testing Service	90.00
Total 925 · Injuries & Damages	90.00
926 · Employee Pension/Benefit (926)	
926.1 · Insurance - Life	2,064.33
926.4 · Insurance - Medical	773.71
926.7 · Insurance - Workmans' Comp	1,435.16
Total 926 · Employee Pension/Benefit (926)	4,273.20
930.1 · General Advertising Expenses	464.55
930.2 · Misc. General Expenses	
930.2.5 · Misc General Exp	151.07
930.3 · Tools and Supplies	118.04
Total 930.2 · Misc. General Expenses	269.11
932 · Maintenance of General Plant	
932.2 · Repairs & Maintenance - Office	39.75
Total 932 · Maintenance of General Plant	39.75
Total 92X · Admin. and General Expenses	86,394.38
Total 401 · Operation Expense	165,020.75
408.1 · Taxes Other Than Income Taxes	
408.1.2 · PSC Assessment	2,048.18
Total 408.1 · Taxes Other Than Income Taxes	2,048.18

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2005

	<u>Jul - Sep 05</u>
<b>600 · Clearing Accounts</b>	
<b>656 · Employee Clearing Accounts</b>	
656.1 · Payroll Expenses	31,884.56
656.3 · Training & Education	420.00
<b>Total 656 · Employee Clearing Accounts</b>	<u>32,304.56</u>
<b>667 · Transportation Expenses</b>	
667.1 · Vehicle Expenses	2,917.23
667.4 · Vehicle Repair & Maint.	25.54
667.5 · Vehicle Insurance/Title/Fees	1,209.38
<b>Total 667 · Transportation Expenses</b>	<u>4,152.15</u>
<b>Total 600 · Clearing Accounts</b>	<u>36,456.71</u>
<b>Total Expense</b>	<u>203,525.64</u>
<b>Net Ordinary Income</b>	(42,090.24)
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
427 · Interest on Long-Term Debt	8,265.11
431 · Other Interest Expense	
431.4 · Interest-Note Payable	31,741.69
<b>Total 431 · Other Interest Expense</b>	<u>31,741.69</u>
<b>Total Other Expense</b>	<u>40,006.80</u>
<b>Net Other Income</b>	(40,006.80)
<b>Net Income</b>	<u><u>(82,097.04)</u></u>

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2005

	Jun 30, 05	Mar 31, 05
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
131 - Cash		
131.1 - McCreary - Operating A/C	110,675.21	19,520.68
131.2 - McCreary - Business A/C	5,337.81	3,766.63
131.5 - Centura A/C 0411790887	14,909.97	75,718.31
131.9 - Petty Cash	500.00	500.00
<b>Total 131 - Cash</b>	<b>131,422.99</b>	<b>99,505.62</b>
<b>Total Checking/Savings</b>	<b>131,422.99</b>	<b>99,505.62</b>
<b>Accounts Receivable</b>		
142 - Customer Accounts Receivable		
142.1 - A/R - Residential/Commercial	125,510.67	207,250.74
142.2 - A/R - Payment Plan	418.38	401.71
<b>Total 142 - Customer Accounts Receivable</b>	<b>125,929.05</b>	<b>207,652.45</b>
144 - Allow for Uncollectible Accts.	(6,000.00)	(6,000.00)
<b>Total Accounts Receivable</b>	<b>119,929.05</b>	<b>201,652.45</b>
<b>Other Current Assets</b>		
134 - Other Special Deposits		
134.5 - Utility Deposits	1,427.19	307.88
<b>Total 134 - Other Special Deposits</b>	<b>1,427.19</b>	<b>307.88</b>
143 - Other Accounts Receivable		
143.5 - Transportation Fees Receivable	24,503.16	16,390.43
<b>Total 143 - Other Accounts Receivable</b>	<b>24,503.16</b>	<b>16,390.43</b>
146 - A/R from Associated Companies		
146.3 - A/R - Forexco, Inc.	1,225.00	0.00
<b>Total 146 - A/R from Associated Companies</b>	<b>1,225.00</b>	<b>0.00</b>
147.1 - PREPAID INSURANCE	36,329.43	36,329.43
<b>Total Other Current Assets</b>	<b>63,484.78</b>	<b>53,027.74</b>
<b>Total Current Assets</b>	<b>314,836.82</b>	<b>354,185.81</b>
<b>Fixed Assets</b>		
101 - Gas Plant in Service (365-399)		
367.N - Pipeline Line - Steel - N	1,053,723.97	1,053,723.97
368.N - Compressor Station & Equip. - N	134,535.18	134,535.18
369 - Prison Pipeline	1,465.83	1,465.83
376.1 - Pipeline - 1" & 2"	386,662.95	386,662.95
376.3 - Pipeline - 3"	456,479.96	456,479.96
376.4 - Pipeline - 4"	1,008,793.48	1,008,793.48
376.6 - Pipeline - 6"	492,615.37	492,615.37
377 - Compressor Station & Equipment	7,160.77	7,160.77
378.1 - Reg/Odorant Station	12,474.06	12,474.06
382 - Equipment - Meters/Setup	768,196.97	768,196.97
390 - Office Building	125,000.00	125,000.00
391.1 - Office Furniture & Equipment	11,011.80	11,011.80
391.2 - Office Software	16,801.32	16,801.32
392 - Automobiles/Vehicles	75,218.62	75,218.62
396 - Equipment - DW/Other	77,985.33	77,985.33
<b>Total 101 - Gas Plant in Service (365-399)</b>	<b>4,628,125.61</b>	<b>4,628,125.61</b>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 2005

	Jun 30, 05	Mar 31, 05
108 · Accumulated Depreciation	(1,761,388.25)	(1,761,388.25)
<b>Total Fixed Assets</b>	<b>2,866,737.36</b>	<b>2,866,737.36</b>
<b>Other Assets</b>		
123 · Investment in Assoc. Companies		
123.1 · LBU, LLC investment	2,314,123.62	2,386,333.62
123.2 · Citigas, LLC investment	2,010,216.27	2,010,216.27
<b>Total 123 · Investment in Assoc. Companies</b>	<b>4,324,339.89</b>	<b>4,396,549.89</b>
<b>Total Other Assets</b>	<b>4,324,339.89</b>	<b>4,396,549.89</b>
<b>TOTAL ASSETS</b>	<b>7,505,914.07</b>	<b>7,617,473.06</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
232 · Accounts Payable	145,537.73	137,801.11
<b>Total Accounts Payable</b>	<b>145,537.73</b>	<b>137,801.11</b>
<b>Other Current Liabilities</b>		
<b>Accrued Payroll</b>	3,260.08	3,260.08
231 · Notes Payable		
231.1 · Note Payable - Bank of McCreary	997,867.61	997,867.61
231.2 · Line of Credit	495,000.00	495,000.00
<b>Total 231 · Notes Payable</b>	<b>1,492,867.61</b>	<b>1,492,867.61</b>
235 · Customer Deposits	5,638.82	5,238.82
236 · Taxes Accrued		
236.2 · Sales Tax Payable	302.40	1,851.47
236.3 · Severance Tax Payable	5,975.39	3,224.45
236.4 · School Tax Payable	961.94	5,562.06
<b>Total 236 · Taxes Accrued</b>	<b>7,239.73</b>	<b>10,637.98</b>
237 · Interest Accrued	3,826.58	3,826.58
242 · Misc. / Other Liabilities		
242.2 · Liability - Citizens Gas Check	(42,017.84)	0.00
242 · Misc. / Other Liabilities - Other	227.50	227.50
<b>Total 242 · Misc. / Other Liabilities</b>	<b>(41,790.34)</b>	<b>227.50</b>
<b>Total Other Current Liabilities</b>	<b>1,471,042.48</b>	<b>1,516,058.57</b>
<b>Total Current Liabilities</b>	<b>1,616,580.21</b>	<b>1,653,859.68</b>
<b>Total Liabilities</b>	<b>1,616,580.21</b>	<b>1,653,859.68</b>
<b>Equity</b>		
216 · Retained Earnings	(3,580,895.71)	(3,580,895.71)
218 · Member's Capital Contributions		
218.3 · Class B - Capital Contributed	8,730,760.26	8,730,760.26
218.5 · Class C - 7% Preferred	466,574.52	466,574.52
218.7 · Class D - 7% Preferred	583,686.95	583,686.95
<b>Total 218 · Member's Capital Contributions</b>	<b>9,781,021.73</b>	<b>9,781,021.73</b>
219 · Member's Capital Distributions		
219.3 · Class B - Distributions	(111,365.67)	(50,000.00)
219.5 · Class C - Distributions	(159,108.46)	(142,778.38)
219.7 · Class D - Distributions	(131,930.00)	(121,715.50)

11:26 AM  
03/02/06  
Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2005

	<u>Jun 30, 05</u>	<u>Mar 31, 05</u>
Total 219 - Member's Capital Distributions	(402,404.13)	(314,493.88)
Net Income	91,611.97	77,981.24
Total Equity	<u>5,889,333.86</u>	<u>5,963,613.38</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>7,505,914.07</u></b>	<b><u>7,617,473.06</u></b>

**Citipower, L. L. C.**  
**Profit & Loss**  
 April through June 2005

Apr - Jun 05

<b>Ordinary Income/Expense</b>	
<b>Income</b>	
400 · Operating Revenues	
480 · Sales of Gas	
480.1 · Residential Sales	18,577.92
481.1 · Commercial Sales	15,478.99
481.2 · Industrial Sales	5,005.25
482.1 · Public Sales	173,879.02
<b>Total 480 · Sales of Gas</b>	<b>212,941.18</b>
<b>Total 400 · Operating Revenues</b>	<b>212,941.18</b>
414 · Other Operating Income	
488.1 · Misc Service Revenues	50.00
488.2 · Late Charges Collected	5,079.51
488.3 · Hook up fees collected	25.00
489.2 · Other Gas Rev. -Transportation	17,550.12
<b>Total 414 · Other Operating Income</b>	<b>22,704.63</b>
<b>Total Income</b>	<b>235,645.81</b>
<b>Gross Profit</b>	<b>235,645.81</b>
<b>Expense</b>	
401 · Operation Expense	
80X · Gas Supply Expense	
801 · Natural Gas Field Purchases	84,391.63
<b>Total 80X · Gas Supply Expense</b>	<b>84,391.63</b>
85X · Transmission Expenses	
853 · Trans. Compressor Labor & Exp.	466.01
855 · Trans. Compressor Fuel & Power	
855.3 · Compressor Electricity	77.14
855.4 · Compressor Telephone	75.37
855 · Trans. Compressor Fuel & Power - Other	16.05
<b>Total 855 · Trans. Compressor Fuel &amp; Power</b>	<b>168.56</b>
860 · Trans. Compressor Rent	9,952.57
864 · Trans. Compressor Maintenance	65.09
865 · Total Flow Meter-Maintenance	504.80
866 · Total Flow Meter-Supplies	1,212.35
<b>Total 85X · Transmission Expenses</b>	<b>12,369.38</b>
87X · Distribution Expenses	
875 · Measuring & Reg. Station Exp.	
875.5 · Electricity - Prison Meter	7.31
<b>Total 875 · Measuring &amp; Reg. Station Exp.</b>	<b>7.31</b>
878 · Meter & House Regulator Expense	
878.1 · Meter & Reg. Labor & Exp.	481.00
878.5 · Equipment Rental	521.04
878.8 · Materials & Supplies	242.90
<b>Total 878 · Meter &amp; House Regulator Expense</b>	<b>1,244.94</b>

Citipower, L. L. C.  
**Profit & Loss**  
April through June 2005

	Apr - Jun 05
881 · Rents - Distribution Expenses	
881.4 · Rent - Shop & Storage	1,680.00
<b>Total 881 · Rents - Distribution Expenses</b>	<u>1,680.00</u>
<b>Total 87X · Distribution Expenses</b>	2,932.25
92X · Admin. and General Expenses	
920 · Admin & General Salaries (920)	
920.2 · Mgt. Consulting Expense	11,134.82
920.4 · Management fees	30,000.00
<b>Total 920 · Admin &amp; General Salaries (920)</b>	<u>41,134.82</u>
921 · Office Supplies/Expense	
921.10 · Postage/FedEx (G&A)	703.95
921.11 · Meals/Entertainment	374.57
921.12 · Travel	274.68
921.2 · Bank Svce Chgs (G&A)	30.00
921.29 · Uniforms	567.77
921.3 · Dues and Subscriptions	38.28
921.4 · Office Cleaning	350.00
921.5 · Telephone	2,208.79
921.7 · Utilities (G&A)	611.04
921.8 · Office Supplies & Expenses	486.86
<b>Total 921 · Office Supplies/Expense</b>	<u>5,645.94</u>
923 · Outside Services	
923.1 · Engineering Services	376.00
923.2 · Accounting Fees	13,524.06
923.3 · Contract Labor - Office	467.00
923.6 · Legal & Professional Fees	16,098.29
<b>Total 923 · Outside Services</b>	<u>30,465.35</u>
925 · Injuries & Damages	
925.2 · Insurance - Liability	405.46
<b>Total 925 · Injuries &amp; Damages</b>	<u>405.46</u>
926 · Employee Pension/Benefit (926)	
926.1 · Insurance - Life	880.78
926.4 · Insurance - Medical	1,621.28
926.7 · Insurance - Workmans' Comp	717.58
926.9 · Flower Fund	26.50
<b>Total 926 · Employee Pension/Benefit (926)</b>	<u>3,246.14</u>
930.1 · General Advertising Expenses	189.55
930.2 · Misc. General Expenses	65.01
932 · Maintenance of General Plant	
932.2 · Repairs & Maintenance - Office	310.21
<b>Total 932 · Maintenance of General Plant</b>	<u>310.21</u>
<b>Total 92X · Admin. and General Expenses</b>	<u>81,462.48</u>
<b>Total 401 · Operation Expense</b>	181,155.74



**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2005

	<u>Apr - Jun 05</u>
<b>408.1 · Taxes Other Than Income Taxes</b>	
408.1.1 · Payroll Taxes	(19.73)
408.1.6 · Licenses	748.00
408.1.8 · Other Taxes & Fees	1,977.88
<b>Total 408.1 · Taxes Other Than Income Taxes</b>	<u>2,706.15</u>
<b>600 · Clearing Accounts</b>	
<b>656 · Employee Clearing Accounts</b>	
656.1 · Payroll Expenses	26,405.14
656.3 · Training & Education	100.00
<b>Total 656 · Employee Clearing Accounts</b>	<u>26,505.14</u>
<b>667 · Transportation Expenses</b>	
667.1 · Vehicle Expenses	2,008.98
667.4 · Vehicle Repair & Maint.	47.00
667.5 · Vehicle Insurance/Title/Fees	909.13
<b>Total 667 · Transportation Expenses</b>	<u>2,965.11</u>
<b>Total 600 · Clearing Accounts</b>	<u>29,470.25</u>
<b>Total Expense</b>	<u>213,332.14</u>
<b>Net Ordinary Income</b>	22,313.67
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
431 · Other Interest Expense	
431.2 · Interest expense - customer dep	15.56
431.4 · Interest-Note Payable	8,667.38
<b>Total 431 · Other Interest Expense</b>	<u>8,682.94</u>
<b>Total Other Expense</b>	<u>8,682.94</u>
<b>Net Other Income</b>	<u>(8,682.94)</u>
<b>Net Income</b>	<u><u>13,630.73</u></u>

## Citipower, L. L. C.

## Balance Sheet

As of March 31, 2005

	Mar 31, 05	Dec 31, 04
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
<b>131 - Cash</b>		
131.1 - McCreary - Operating A/C	19,520.68	120,347.00
131.2 - McCreary - Business A/C	3,766.63	1,682.48
131.5 - Centura A/C 0411790887	75,718.31	406,489.88
131.9 - Petty Cash	500.00	500.00
<b>Total 131 - Cash</b>	<b>99,505.62</b>	<b>529,019.36</b>
<b>Total Checking/Savings</b>	<b>99,505.62</b>	<b>529,019.36</b>
<b>Accounts Receivable</b>		
<b>142 - Customer Accounts Receivable</b>		
142.1 - A/R - Residential/Commercial	207,250.74	200,767.64
142.2 - A/R - Payment Plan	401.71	433.38
<b>Total 142 - Customer Accounts Receivable</b>	<b>207,652.45</b>	<b>201,201.02</b>
<b>144 - Allow for Uncollectible Accts.</b>	<b>(6,000.00)</b>	<b>(6,000.00)</b>
<b>Total Accounts Receivable</b>	<b>201,652.45</b>	<b>195,201.02</b>
<b>Other Current Assets</b>		
<b>134 - Other Special Deposits</b>		
134.5 - Utility Deposits	307.88	300.00
<b>Total 134 - Other Special Deposits</b>	<b>307.88</b>	<b>300.00</b>
<b>143 - Other Accounts Receivable</b>		
143.5 - Transportation Fees Receivable	16,390.43	12,209.65
<b>Total 143 - Other Accounts Receivable</b>	<b>16,390.43</b>	<b>12,209.65</b>
<b>147.1 - PREPAID INSURANCE</b>	<b>36,329.43</b>	<b>36,329.43</b>
<b>Total Other Current Assets</b>	<b>53,027.74</b>	<b>48,839.08</b>
<b>Total Current Assets</b>	<b>354,185.81</b>	<b>773,059.46</b>
<b>Fixed Assets</b>		
<b>101 - Gas Plant in Service (365-399)</b>		
367.N - Pipeline Line - Steel - N	1,053,723.97	1,053,723.97
368.N - Compressor Station & Equip. - N	134,535.18	134,535.18
369 - Prison Pipeline	1,465.83	1,465.83
376.1 - Pipeline - 1" & 2"	386,662.95	386,662.95
376.3 - Pipeline - 3"	456,479.96	456,479.96
376.4 - Pipeline - 4"	1,008,793.48	1,008,793.48
376.6 - Pipeline - 6"	492,615.37	492,615.37
377 - Compressor Station & Equipment	7,160.77	7,160.77
378.1 - Reg/Odorant Station	12,474.06	12,474.06
382 - Equipment - Meters/Setup	768,196.97	767,580.84
390 - Office Building	125,000.00	125,000.00
391.1 - Office Furniture & Equipment	11,011.80	11,011.80
391.2 - Office Software	16,801.32	16,801.32
392 - Automobiles/Vehicles	75,218.62	75,218.62
396 - Equipment - DW/Other	77,985.33	77,985.33
<b>Total 101 - Gas Plant in Service (365-399)</b>	<b>4,628,125.61</b>	<b>4,627,509.48</b>
<b>108 - Accumulated Depreciation</b>	<b>(1,761,388.25)</b>	<b>(1,761,388.25)</b>
<b>Total Fixed Assets</b>	<b>2,866,737.36</b>	<b>2,866,121.23</b>
<b>Other Assets</b>		

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 2005

	Mar 31, 05	Dec 31, 04
<b>123 · Investment in Assoc. Companies</b>		
123.1 · LBU, LLC investment	2,386,333.62	2,386,333.62
123.2 · Citigas, LLC investment	2,010,216.27	1,535,216.27
<b>Total 123 · Investment in Assoc. Companies</b>	<u>4,396,549.89</u>	<u>3,921,549.89</u>
<b>Total Other Assets</b>	<u>4,396,549.89</u>	<u>3,921,549.89</u>
<b>TOTAL ASSETS</b>	<u><u>7,617,473.06</u></u>	<u><u>7,560,730.58</u></u>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
232 · Accounts Payable	137,801.11	159,244.72
<b>Total Accounts Payable</b>	<u>137,801.11</u>	<u>159,244.72</u>
<b>Other Current Liabilities</b>		
Accrued Payroll	3,260.08	3,260.08
<b>231 · Notes Payable</b>		
231.1 · Note Payable - Bank of McCreary	997,867.61	997,867.61
231.2 · Line of Credit	495,000.00	495,000.00
<b>Total 231 · Notes Payable</b>	<u>1,492,867.61</u>	<u>1,492,867.61</u>
235 · Customer Deposits	5,238.82	4,807.82
<b>236 · Taxes Accrued</b>		
236.2 · Sales Tax Payable	1,851.47	1,857.19
236.3 · Severance Tax Payable	3,224.45	3,237.84
236.4 · School Tax Payable	5,562.06	5,769.10
<b>Total 236 · Taxes Accrued</b>	<u>10,637.98</u>	<u>10,864.13</u>
237 · Interest Accrued	3,826.58	3,826.58
242 · Misc. / Other Liabilities	227.50	227.50
<b>Total Other Current Liabilities</b>	<u>1,516,058.57</u>	<u>1,515,853.72</u>
<b>Total Current Liabilities</b>	<u>1,653,859.68</u>	<u>1,675,098.44</u>
<b>Total Liabilities</b>	1,653,859.68	1,675,098.44
<b>Equity</b>		
216 · Retained Earnings	(3,580,895.71)	(3,421,448.96)
<b>218 · Member's Capital Contributions</b>		
218.3 · Class B - Capital Contributed	8,730,760.26	8,730,760.26
218.5 · Class C - 7% Preferred	466,574.52	466,574.52
218.7 · Class D - 7% Preferred	583,686.95	583,686.95
<b>Total 218 · Member's Capital Contributions</b>	<u>9,781,021.73</u>	<u>9,781,021.73</u>
<b>219 · Member's Capital Distributions</b>		
219.3 · Class B - Distributions	(50,000.00)	(50,000.00)
219.5 · Class C - Distributions	(142,778.38)	(142,778.38)
219.7 · Class D - Distributions	(121,715.50)	(121,715.50)
<b>Total 219 · Member's Capital Distributions</b>	<u>(314,493.88)</u>	<u>(314,493.88)</u>
Net Income	77,981.24	(159,446.75)
<b>Total Equity</b>	<u>5,963,613.38</u>	<u>5,885,632.14</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>7,617,473.06</u></u>	<u><u>7,560,730.58</u></u>

**Citipower, L. L. C.**  
**Profit & Loss**  
 January through March 2005

	Jan - Mar 05
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>400 · Operating Revenues</b>	
<b>480 · Sales of Gas</b>	
480.1 · Residential Sales	58,850.33
481.1 · Commercial Sales	70,871.73
481.2 · Industrial Sales	54,538.54
482.1 · Public Sales	369,440.01
<b>Total 480 · Sales of Gas</b>	553,700.61
<b>Total 400 · Operating Revenues</b>	553,700.61
<b>414 · Other Operating Income</b>	
488.1 · Misc Service Revenues	1,123.00
488.2 · Late Charges Collected	3,828.59
488.3 · Hook up fees collected	525.00
489.2 · Other Gas Rev. -Transportation	12,219.75
<b>Total 414 · Other Operating Income</b>	17,696.34
<b>Total Income</b>	571,396.95
<b>Gross Profit</b>	571,396.95
<b>Expense</b>	
<b>401 · Operation Expense</b>	
<b>80X · Gas Supply Expense</b>	
801 · Natural Gas Field Purchases	305,807.90
<b>Total 80X · Gas Supply Expense</b>	305,807.90
<b>85X · Transmission Expenses</b>	
853 · Trans. Compressor Labor & Exp.	432.58
<b>855 · Trans. Compressor Fuel &amp; Power</b>	
855.3 · Compressor Electricity	48.15
855.4 · Compressor Telephone	71.87
<b>Total 855 · Trans. Compressor Fuel &amp; Power</b>	120.02
860 · Trans. Compressor Rent	9,402.10
<b>Total 85X · Transmission Expenses</b>	9,954.70
<b>87X · Distribution Expenses</b>	
874 · Maintenance of Mains	0.00
<b>875 · Measuring &amp; Reg. Station Exp.</b>	
875.5 · Electricity - Prison Meter	22.90
875 · Measuring & Reg. Station Exp. - Other	0.00
<b>Total 875 · Measuring &amp; Reg. Station Exp.</b>	22.90
<b>878 · Meter &amp; House Regulator Expense</b>	
878.1 · Meter & Reg. Labor & Exp.	908.77
878.2 · Fittings & Els, etc.	613.89
878.8 · Materials & Supplies	271.14
<b>Total 878 · Meter &amp; House Regulator Expense</b>	1,793.80
<b>881 · Rents - Distribution Expenses</b>	
881.1 · Rent - Schenck Compressor	3,377.88
881.4 · Rent - Shop & Storage	1,695.53
<b>Total 881 · Rents - Distribution Expenses</b>	5,073.41

Citipower, L. L. C.  
Profit & Loss  
January through March 2005

	Jan - Mar 05
894 · Maintenance of Equipment	
894.1 · Equipment Repairs	916.66
Total 894 · Maintenance of Equipment	916.66
Total 87X · Distribution Expenses	7,806.77
92X · Admin. and General Expenses	
920 · Admin & General Salaries (920)	
920.2 · Mgt. Consulting Expense	14,515.35
920.4 · Management fees	40,000.00
Total 920 · Admin & General Salaries (920)	54,515.35
921 · Office Supplies/Expense	
921.10 · Postage/FedEx (G&A)	619.31
921.11 · Meals/Entertainment	371.00
921.2 · Bank Svce Chgs (G&A)	20.10
921.29 · Uniforms	533.14
921.3 · Dues and Subscriptions	87.00
921.4 · Office Cleaning	320.00
921.5 · Telephone	2,664.43
921.6 · Computer Expense	1,160.00
921.7 · Utilities (G&A)	903.35
921.8 · Office Supplies & Expenses	1,202.60
Total 921 · Office Supplies/Expense	7,880.93
923 · Outside Services	
923.2 · Accounting Fees	2,342.32
923.3 · Contract Labor - Office	224.00
923.5 · Other-Labor	1,000.00
923.6 · Legal & Professional Fees	32,494.58
923.6.N · Legal & Professional Fees - N	633.50
Total 923 · Outside Services	36,694.40
925 · Injuries & Damages	
925.2 · Insurance - Liability	(116.36)
925.5 · Employee Drug Testing Service	250.00
Total 925 · Injuries & Damages	133.64
926 · Employee Pension/Benefit (926)	
926.1 · Insurance - Life	107.07
926.4 · Insurance - Medical	2,231.82
926.7 · Insurance - Workmans' Comp	(1,752.14)
Total 926 · Employee Pension/Benefit (926)	586.75
928 · Regulatory Commission Expenses	65.25
930.1 · General Advertising Expenses	150.80
930.2 · Misc. General Expenses	
930.2.5 · Misc General Exp	92.50
Total 930.2 · Misc. General Expenses	92.50
931 · Rents (SG&A)	
931.1 · Rent - copier	360.85
Total 931 · Rents (SG&A)	360.85

Citipower, L. L. C.  
**Profit & Loss**  
January through March 2005

	Jan - Mar 05
932 · Maintenance of General Plant	
932.2 · Repairs & Maintenance - Office	29.18
<b>Total 932 · Maintenance of General Plant</b>	<u>29.18</u>
<b>Total 92X · Admin. and General Expenses</b>	<u>100,509.65</u>
<b>Total 401 · Operation Expense</b>	424,079.02
408.1 · Taxes Other Than Income Taxes	
408.1.6 · Licenses	600.00
408.1.8 · Other Taxes & Fees	205.00
<b>Total 408.1 · Taxes Other Than Income Taxes</b>	<u>805.00</u>
600 · Clearing Accounts	
656 · Employee Clearing Accounts	
656.1 · Payroll Expenses	29,967.43
<b>Total 656 · Employee Clearing Accounts</b>	<u>29,967.43</u>
667 · Transportation Expenses	
667.1 · Vehicle Expenses	1,948.56
667.4 · Vehicle Repair & Maint.	2,009.70
667.5 · Vehicle Insurance/Title/Fees	1,385.38
667.99 · Clearing	0.00
<b>Total 667 · Transportation Expenses</b>	<u>5,343.64</u>
<b>Total 600 · Clearing Accounts</b>	<u>35,311.07</u>
<b>Total Expense</b>	<u>460,195.09</u>
<b>Net Ordinary Income</b>	111,201.86
Other Income/Expense	
Other Expense	
427 · Interest on Long-Term Debt	
427.5 · Interest - LBU-LLC	2,309.90
<b>Total 427 · Interest on Long-Term Debt</b>	<u>2,309.90</u>
431 · Other Interest Expense	
431.1 · Interest - LOC	2,516.25
431.4 · Interest-Note Payable	28,394.47
<b>Total 431 · Other Interest Expense</b>	<u>30,910.72</u>
<b>Total Other Expense</b>	<u>33,220.62</u>
<b>Net Other Income</b>	<u>(33,220.62)</u>
<b>Net Income</b>	<u><u>77,981.24</u></u>



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2122 Enterprise Rd, Greensboro, NC 27408

BETH O'DONNELL EXEC DIR  
 COMMONWEALTH OF KENTUCKY  
 PUBLIC SERVICE COMMISSION  
 211 SOWER BOULEVARD  
 FRANKFORT KY 40602

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 MAR 10 2006  
 PUBLIC SERVICE  
 COMMISSION



# Citipower

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November 19, 2004

Beth O'Donnell, Executive Director  
Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

**RECEIVED**

NOV 22 2004

PUBLIC SERVICE  
COMMISSION

Re: Case No. 99-225, Citipower L.L.C. Quarterly Financial Statements

Dear Ms. O'Donnell:

Please accept the enclosed Citipower, L.L.C. Quarterly Financial Statements (comparative balance sheets and detailed income statements) for the Third Quarter of 2004. These Quarterly Financial Statements are being provided per the Staff Recommendations included in the Staff Report on Citipower, LLC, Case No. 99-225.

Sincerely,

David J. Hutchinson

Citipower, LLC  
2122 Enterprise Road  
Greensboro, NC 27408

Voice 336-379-0800  
Fax 336-379-0881



**Citipower, L. L. C.**  
**Profit & Loss**  
 July through September 2004

Jul - Sep 04

**Ordinary Income/Expense**  
**Income**

**400 · Operating Revenues**

**480 · Sales of Gas**

480.1 · Residential Sales	8,366.92
481.1 · Commercial Sales	13,207.89
481.2 · Industrial Sales	291.30
482.1 · Public Sales	95,243.57

**Total 480 · Sales of Gas** 117,109.68

**Total 400 · Operating Revenues** 117,109.68

**414 · Other Operating Income**

488.1 · Misc Service Revenues	148.29
488.2 · Late Charges Collected	1,549.23
488.3 · Hook up fees collected	1,100.00
489.2 · Other Gas Rev. -Transportation	9,000.00

**Total 414 · Other Operating Income** 11,797.52

**Total Income** 128,907.20

**Gross Profit** 128,907.20

**Expense**

**401 · Operation Expense**

**80X · Gas Supply Expense**

801 · Natural Gas Field Purchases	57,736.58
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**Total 80X · Gas Supply Expense** 57,736.58

**85X · Transmission Expenses**

853 · Trans. Compressor Labor & Exp.	0.00
855 · Trans. Compressor Fuel & Power	
855.3 · Compressor Electricity	48.15
855.4 · Compressor Telephone	110.20
855 · Trans. Compressor Fuel & Power - O...	379.04

**Total 855 · Trans. Compressor Fuel & Power** 537.39

856 · Trans. Mains Operating Costs 300.00

860 · Trans. Compressor Rent 9,309.00

864 · Trans. Compressor Maintenance 758.08

**Total 85X · Transmission Expenses** 10,904.47

**87X · Distribution Expenses**

872 · Dist. Compressor Labor & Exp 2,300.00

**875 · Measuring & Reg. Station Exp.**

875.5 · Electricity - Prison Meter	14.62
875.6 · Telephone - Prison Mtr	35.94

**Total 875 · Measuring & Reg. Station Exp.** 50.56

**878 · Meter & House Regulator Expense**

878.2 · Fittings & Els, etc.	32.94
878.5 · Equipment Rental	311.32
878.8 · Materials & Supplies	931.80

**Total 878 · Meter & House Regulator Expense** 1,276.06

**881 · Rents - Distribution Expenses**

881.1 · Rent - Schenck Compressor	3,600.00
881.4 · Rent - Shop & Storage	1,695.00

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2004

	<u>Jul - Sep 04</u>
<b>Total 881 · Rents - Distribution Expenses</b>	5,295.00
<b>894 · Maintenance of Equipment</b>	
894.2 · Ditchwitch Maintenance	4.55
<b>Total 894 · Maintenance of Equipment</b>	<u>4.55</u>
<b>Total 87X · Distribution Expenses</b>	8,926.17
<b>90X · Customer Accounts Expenses</b>	
904 · Uncollectible Accounts	2,025.00
<b>Total 90X · Customer Accounts Expenses</b>	<u>2,025.00</u>
<b>92X · Admin. and General Expenses</b>	
920 · Admin & General Salaries (920)	
920.2 · Mgt. Consulting Expense	8,699.31
920.4 · Management fees	15,000.00
<b>Total 920 · Admin &amp; General Salaries (920)</b>	<u>23,699.31</u>
<b>921 · Office Supplies/Expense</b>	
921.10 · Postage/FedEx (G&A)	636.54
921.11 · Meals/Entertainment	461.00
921.12 · Travel	262.50
921.2 · Bank Svce Chgs (G&A)	42.17
921.29 · Uniforms	539.76
921.4 · Office Cleaning	420.00
921.5 · Telephone	2,512.91
921.6 · Computer Expense	444.87
921.7 · Utilities (G&A)	814.21
921.8 · Office Supplies & Expenses	185.08
<b>Total 921 · Office Supplies/Expense</b>	<u>6,319.04</u>
<b>923 · Outside Services</b>	
923.1 · Engineering Services	564.00
923.2 · Accounting Fees	5,376.24
923.3 · Contract Labor - Office	413.00
923.5 · Other-Labor	58.32
923.6 · Legal & Professional Fees	10,500.00
<b>Total 923 · Outside Services</b>	<u>16,911.56</u>
<b>925 · Injuries &amp; Damages</b>	
925.5 · Employee Drug Testing Service	135.00
<b>Total 925 · Injuries &amp; Damages</b>	<u>135.00</u>
<b>926 · Employee Pension/Benefit (926)</b>	
926.1 · Insurance - Life	103.53
926.4 · Insurance - Medical	2,125.85
926.9 · Flower Fund	42.40
<b>Total 926 · Employee Pension/Benefit (926)</b>	<u>2,271.78</u>
<b>930.1 · General Advertising Expenses</b>	227.50
<b>930.2 · Misc. General Expenses</b>	
930.2.5 · Misc General Exp	1.99
<b>Total 930.2 · Misc. General Expenses</b>	<u>1.99</u>
<b>931 · Rents (SG&amp;A)</b>	
931.1 · Rent - copier	1,298.81
<b>Total 931 · Rents (SG&amp;A)</b>	<u>1,298.81</u>

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
 July through September 2004

	Jul - Sep 04
932 · Maintenance of General Plant	
932.5 · Computer Repair & Maint	472.60
932.6 · Termite Control - Office	587.91
Total 932 · Maintenance of General Plant	1,060.51
Total 92X · Admin. and General Expenses	51,925.50
Total 401 · Operation Expense	131,517.72
403 · Depreciation Expense	
403.1 · Depreciation Expense	55,500.00
403 · Depreciation Expense - Other	0.00
Total 403 · Depreciation Expense	55,500.00
408.1 · Taxes Other Than Income Taxes	
408.1.1 · Payroll Taxes	1,695.55
408.1.2 · PSC Assessment	1,762.10
408.1.4 · Property Taxes	6,015.40
408.1.8 · Other Taxes & Fees	20.12
Total 408.1 · Taxes Other Than Income Taxes	9,493.17
600 · Clearing Accounts	
656 · Employee Clearing Accounts	
656.1 · Payroll Expenses	26,458.00
Total 656 · Employee Clearing Accounts	26,458.00
667 · Transportation Expenses	
667.1 · Vehicle Expenses	1,476.92
667.4 · Vehicle Repair & Maint.	937.60
667.5 · Vehicle Insurance/Title/Fees	1,347.62
Total 667 · Transportation Expenses	3,762.14
Total 600 · Clearing Accounts	30,220.14
Total Expense	226,731.03
Net Ordinary Income	(97,823.83)
Other Income/Expense	
Other Expense	
431 · Other Interest Expense	
431.2 · Interest expense - customer dep	57.92
431.4 · Interest-Note Payable	12,224.19
Total 431 · Other Interest Expense	12,282.11
Total Other Expense	12,282.11
Net Other Income	(12,282.11)
Net Income	(110,105.94)

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 Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 2004

	<u>Sep 30, 04</u>	<u>Jun 30, 04</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
131 · Cash		
131.1 · McCreary - Operating A/C	16,767.06	122,918.85
131.2 · McCreary - Business A/C	599.55	866.15
131.5 · Centura A/C 0411790887	20,775.96	12,197.74
131.9 · Petty Cash	500.00	500.00
<b>Total 131 · Cash</b>	<u>38,642.57</u>	<u>136,482.74</u>
<b>Total Checking/Savings</b>	38,642.57	136,482.74
<b>Accounts Receivable</b>		
142 · Customer Accounts Receivable		
142.1 · A/R - Residential/Commercial	107,859.90	79,152.10
142.2 · A/R - Payment Plan	683.43	733.48
<b>Total 142 · Customer Accounts Receivable</b>	<u>108,543.33</u>	<u>79,885.58</u>
144 · Allow for Uncollectible Accts.	(21,175.00)	(19,150.00)
<b>Total Accounts Receivable</b>	<u>87,368.33</u>	<u>60,735.58</u>
<b>Other Current Assets</b>		
134 · Other Special Deposits		
134.5 · Utility Deposits	300.00	300.00
<b>Total 134 · Other Special Deposits</b>	<u>300.00</u>	<u>300.00</u>
143 · Other Accounts Receivable		
143.5 · Transportation Fees Receivable	6,168.55	5,597.94
<b>Total 143 · Other Accounts Receivable</b>	<u>6,168.55</u>	<u>5,597.94</u>
146 · A/R from Associated Companies		
146.3 · A/R - Forexco, Inc.	556,490.86	551,351.41
<b>Total 146 · A/R from Associated Compan...</b>	<u>556,490.86</u>	<u>551,351.41</u>
<b>Total Other Current Assets</b>	<u>562,959.41</u>	<u>557,249.35</u>
<b>Total Current Assets</b>	<u>688,970.31</u>	<u>754,467.67</u>
<b>Fixed Assets</b>		
101 · Gas Plant in Service (365-399)		
367.N · Pipeline Line - Steel - N	1,053,723.97	1,053,723.97
368.N · Compressor Station & Equip. - N	134,535.18	134,535.18
369 · Prison Pipeline	364,465.83	364,465.83
376.1 · Pipeline - 1" & 2"	386,662.95	386,662.95
376.3 · Pipeline - 3"	456,479.96	456,479.96
376.4 · Pipeline - 4"	1,008,793.48	1,008,793.48
376.6 · Pipeline - 6"	492,615.37	492,615.37
377 · Compressor Station & Equipment	7,160.77	7,160.77
378.1 · Reg/Odorant Station	12,474.06	12,474.06
382 · Equipment - Meters/Setup	767,580.84	767,580.84
390 · Office Building	125,000.00	125,000.00
391.1 · Office Furniture & Equipment	11,011.80	11,011.80
391.2 · Office Software	16,801.32	16,801.32
392 · Automobiles/Vehicles	75,218.62	75,218.62
396 · Equipment - DW/Other	77,985.33	77,985.33
<b>Total 101 · Gas Plant in Service (365-399)</b>	<u>4,990,509.48</u>	<u>4,990,509.48</u>
108 · Accumulated Depreciation	(1,940,550.91)	(1,885,050.91)

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 2004

	Sep 30, 04	Jun 30, 04
<b>Total Fixed Assets</b>	3,049,958.57	3,105,458.57
<b>Other Assets</b>		
123 · Investment in Assoc. Companies		
123.1 · LBU, LLC investment	2,300,636.62	2,300,636.62
123.2 · Citigas, LLC investment	1,559,427.55	1,589,427.55
<b>Total 123 · Investment in Assoc. Companies</b>	3,860,064.17	3,890,064.17
<b>Total Other Assets</b>	3,860,064.17	3,890,064.17
<b>TOTAL ASSETS</b>	7,598,993.05	7,749,990.41
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
232 · Accounts Payable	45,288.21	68,943.36
<b>Total Accounts Payable</b>	45,288.21	68,943.36
<b>Other Current Liabilities</b>		
231 · Notes Payable		
231.1 · Note Payable - Bank of McCr...	993,173.81	993,173.81
231.2 · Line of Credit	250,000.00	250,000.00
231.6 · Note Payable - LBU	245,000.00	245,000.00
<b>Total 231 · Notes Payable</b>	1,488,173.81	1,488,173.81
235 · Customer Deposits	3,807.82	3,700.00
236 · Taxes Accrued		
236.2 · Sales Tax Payable	257.80	313.61
236.3 · Severance Tax Payable	0.03	0.00
236.4 · School Tax Payable	2,196.55	1,202.57
<b>Total 236 · Taxes Accrued</b>	2,454.38	1,516.18
237 · Interest Accrued	5,558.00	5,558.00
242 · Misc. / Other Liabilities	227.50	227.50
<b>Total Other Current Liabilities</b>	1,500,221.51	1,499,175.49
<b>Total Current Liabilities</b>	1,545,509.72	1,568,118.85
<b>Total Liabilities</b>	1,545,509.72	1,568,118.85
<b>Equity</b>		
216 · Retained Earnings	(3,389,555.62)	(3,389,555.62)
218 · Member's Capital Contributions		
218.0 · Opening Bal Equity	194.50	97.25
218.3 · Class B - Capital Contributed	8,730,760.26	8,730,760.26
218.5 · Class C - 7% Preferred	466,574.52	466,574.52
218.7 · Class D - 7% Preferred	583,686.95	583,686.95
<b>Total 218 · Member's Capital Contributions</b>	9,781,216.23	9,781,118.98
219 · Member's Capital Distributions		
219.3 · Class B - Distributions	(50,000.00)	(50,000.00)
219.5 · Class C - Distributions	(134,613.34)	(126,448.30)
219.7 · Class D - Distributions	(111,501.00)	(101,286.50)
<b>Total 219 · Member's Capital Distributions</b>	(296,114.34)	(277,734.80)
<b>Net Income</b>	(42,062.94)	68,043.00

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11/19/04

Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of September 30, 2004

	<u>Sep 30, 04</u>	<u>Jun 30, 04</u>
Total Equity	6,053,483.33	6,181,871.56
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>7,598,993.05</u></b>	<b><u>7,749,990.41</u></b>

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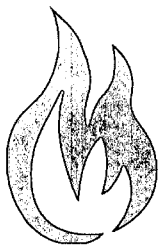
NOV 22 2004

PUBLIC SERVICE  
COMMISSION



2122 Enterprise Rd, Greensboro, NC 27408

BETH O'DONNELL  
COMMONWEALTH OF KY  
PUBLIC SERVICE COMMISSION  
211 SOWER BOULEVARD  
FRANKFORT KY 40602



# Citipower

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AUG 6 2004

PUBLIC SERVICE  
COMMISSION

August 3, 2004

Beth O'Donnell, Executive Director  
Commonwealth of Kentucky  
Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

Re: Case No. 99-225, Citipower L.L.C. Quarterly Financial Statements

Dear Ms. O'Donnell:

Please accept the enclosed Citipower, L.L.C. Quarterly Financial Statements (comparative balance sheets and detailed income statements) for the First and Second Quarters of 2004. These Quarterly Financial Statements are being provided per the Staff Recommendations included in the Staff Report on Citipower, LLC, Case No. 99-225. Copies of these Quarterly Financial Statements were also faxed to the Public Service Commission at 502-564-3460 to the attention of M. Christina Whelan on August 3, 2004.

Sincerely,

David J. Hutchinson

Citipower, LLC  
2122 Enterprise Road  
Greensboro, NC 27408

Voice 336-379-0800  
Fax 336-379-0881



**Citipower, L. L. C.**  
**Profit & Loss**  
 January through March 2004

Jan - Mar 04

<b>Ordinary Income/Expense</b>	
<b>Income</b>	
400 · Operating Revenues	
480 · Sales of Gas	
480.1 · Residential Sales	139,568.41
481.1 · Commercial Sales	58,795.00
481.2 · Industrial Sales	29,698.21
482.1 · Public Sales	286,930.25
<b>Total 480 · Sales of Gas</b>	<b>514,991.87</b>
<b>Total 400 · Operating Revenues</b>	<b>514,991.87</b>
414 · Other Operating Income	
488.2 · Late Charges Collected	2,791.51
488.3 · Hook up fees collected	641.75
489.2 · Other Gas Rev. -Transportation	8,126.88
<b>Total 414 · Other Operating Income</b>	<b>11,560.14</b>
<b>Total Income</b>	<b>526,552.01</b>
<b>Gross Profit</b>	<b>526,552.01</b>
<b>Expense</b>	
401 · Operation Expense	
80X · Gas Supply Expense	
801 · Natural Gas Field Purchases	215,809.87
<b>Total 80X · Gas Supply Expense</b>	<b>215,809.87</b>
85X · Transmission Expenses	
855 · Trans. Compressor Fuel & Power	
855.3 · Compressor Electricity	16.05
855 · Trans. Compressor Fuel & Power - Other	32.10
<b>Total 855 · Trans. Compressor Fuel &amp; Power</b>	<b>48.15</b>
860 · Trans. Compressor Rent	9,309.00
864 · Trans. Compressor Maintenance	945.52
<b>Total 85X · Transmission Expenses</b>	<b>10,302.67</b>
87X · Distribution Expenses	
874 · Maintenance of Mains	757.70
875 · Measuring & Reg. Station Exp.	
875.5 · Electricity - Prison Meter	21.93
<b>Total 875 · Measuring &amp; Reg. Station Exp.</b>	<b>21.93</b>
878 · Meter & House Regulator Expense	
878.5 · Equipment Rental	250.00
878.8 · Materials & Supplies	1,795.86
<b>Total 878 · Meter &amp; House Regulator Expense</b>	<b>2,045.86</b>
881 · Rents - Distribution Expenses	
881.1 · Rent - Schenck Compressor	3,600.00
881.4 · Rent - Shop & Storage	1,706.70
881.5 · Easements	(2,225.00)
<b>Total 881 · Rents - Distribution Expenses</b>	<b>3,081.70</b>
<b>Total 87X · Distribution Expenses</b>	<b>5,907.19</b>

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08/03/04  
Accrual Basis

Citipower, L. L. C.  
Profit & Loss  
January through March 2004

	Jan - Mar 04
<b>90X · Customer Accounts Expenses</b>	
<b>903 · Cust. Records &amp; Collection Cost</b>	
903.5 · Postage - Customer Billing	703.58
<b>Total 903 · Cust. Records &amp; Collection Cost</b>	703.58
<b>904 · Uncollectible Accounts</b>	2,025.00
<b>Total 90X · Customer Accounts Expenses</b>	2,728.58
<b>92X · Admin. and General Expenses</b>	
<b>920 · Admin &amp; General Salaries (920)</b>	
920.2 · Mgt. Consulting Expense	11,709.83
920.4 · Management fees	15,000.00
<b>Total 920 · Admin &amp; General Salaries (920)</b>	26,709.83
<b>921 · Office Supplies/Expense</b>	
921.10 · Postage/FedEx (G&A)	147.44
921.11 · Meals/Entertainment	437.00
921.2 · Bank Svce Chgs (G&A)	48.53
921.29 · Uniforms	799.45
921.3 · Dues and Subscriptions	1,175.00
921.4 · Office Cleaning	75.00
921.5 · Telephone	2,389.07
921.6 · Computer Expense	2,500.00
921.7 · Utilities (G&A)	2,214.85
921.8 · Office Supplies & Expenses	1,134.50
<b>Total 921 · Office Supplies/Expense</b>	10,920.84
<b>923 · Outside Services</b>	
923.1 · Engineering Services	1,970.00
923.2 · Accounting Fees	287.91
923.3 · Contract Labor - Office	644.00
923.5 · Other-Labor	1,000.00
923.6 · Legal & Professional Fees	105.00
<b>Total 923 · Outside Services</b>	4,006.91
<b>925 · Injuries &amp; Damages</b>	
925.5 · Employee Drug Testing Service	250.00
<b>Total 925 · Injuries &amp; Damages</b>	250.00
<b>926 · Employee Pension/Benefit (926)</b>	
926.1 · Insurance - Life	364.55
926.4 · Insurance - Medical	1,772.25
926.7 · Insurance - Workmans' Comp	817.33
926.9 · Flower Fund	145.91
<b>Total 926 · Employee Pension/Benefit (926)</b>	3,100.04
<b>930.1 · General Advertising Expenses</b>	261.40
<b>931 · Rents (SG&amp;A)</b>	
931.1 · Rent - copier	473.07
<b>Total 931 · Rents (SG&amp;A)</b>	473.07

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08/03/04  
Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2004

	<u>Jan - Mar 04</u>
932 · Maintenance of General Plant	
932.2 · Repairs & Maintenance - Office	150.00
932.5 · Computer Repair & Maint	400.00
<b>Total 932 · Maintenance of General Plant</b>	<u>550.00</u>
<b>Total 92X · Admin. and General Expenses</b>	<u>46,272.09</u>
<b>Total 401 · Operation Expense</b>	281,020.40
<b>403 · Depreciation Expense</b>	55,500.00
<b>408.1 · Taxes Other Than Income Taxes</b>	
408.1.1 · Payroll Taxes	2,710.66
408.1.4 · Property Taxes	22,781.11
408.1.8 · Other Taxes & Fees	200.00
<b>Total 408.1 · Taxes Other Than Income Taxes</b>	<u>25,691.77</u>
<b>600 · Clearing Accounts</b>	
<b>656 · Payroll Clearing Accounts</b>	
656.1 · Payroll Expenses	24,982.89
656.3 · Training & Education	1,062.59
<b>Total 656 · Payroll Clearing Accounts</b>	<u>26,045.48</u>
<b>667 · Transportation Expenses</b>	
667.1 · Vehicle Expenses	610.35
667.4 · Vehicle Repair & Maint.	1,382.96
667.5 · Vehicle Insurance/Title/Fees	1,347.62
<b>Total 667 · Transportation Expenses</b>	<u>3,340.93</u>
<b>Total 600 · Clearing Accounts</b>	<u>29,386.41</u>
<b>Total Expense</b>	<u>391,598.58</u>
<b>Net Ordinary Income</b>	134,953.43
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
<b>431 · Other Interest Expense</b>	
431.1 · Interest - LOC	70.00
431.2 · Interest expense - customer dep	136.97
431.4 · Interest-Note Payable	11,890.87
<b>Total 431 · Other Interest Expense</b>	<u>12,097.84</u>
<b>Total Other Expense</b>	<u>12,097.84</u>
<b>Net Other Income</b>	<u>(12,097.84)</u>
<b>Net Income</b>	<u><u>122,855.59</u></u>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 2004

	Mar 31, 04	Dec 31, 03
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
131 · Cash		
131.1 · McCreary - Operating A/C	67,730.71	83,914.02
131.2 · McCreary - Business A/C	2,589.07	2,643.24
131.5 · Centura A/C 0411790887	125,402.79	34,097.39
131.9 · Petty Cash	500.00	568.00
<b>Total 131 · Cash</b>	<b>196,222.57</b>	<b>121,222.65</b>
<b>Total Checking/Savings</b>	<b>196,222.57</b>	<b>121,222.65</b>
<b>Accounts Receivable</b>		
142 · Customer Accounts Receivable		
142.1 · A/R - Residential/Commercial	171,523.69	248,110.49
142.2 · A/R - Payment Plan	983.53	1,516.97
<b>Total 142 · Customer Accounts Receivable</b>	<b>172,507.22</b>	<b>249,627.46</b>
144 · Allow for Uncollectible Accts.	(17,125.00)	(15,100.00)
<b>Total Accounts Receivable</b>	<b>155,382.22</b>	<b>234,527.46</b>
<b>Other Current Assets</b>		
134 · Other Special Deposits		
134.5 · Utility Deposits	300.00	300.00
<b>Total 134 · Other Special Deposits</b>	<b>300.00</b>	<b>300.00</b>
143 · Other Accounts Receivable		
143.5 · Transportation Fees Receivable	5,059.28	4,995.74
<b>Total 143 · Other Accounts Receivable</b>	<b>5,059.28</b>	<b>4,995.74</b>
146 · A/R from Associated Companies		
146.1 · A/R - LBU, LLC	406.00	406.00
146.2 · A/R - Citigas, LLC	2,119.41	2,119.41
146.3 · A/R - Forexco, Inc.	352,385.00	(3,687.50)
<b>Total 146 · A/R from Associated Companies</b>	<b>354,910.41</b>	<b>(1,162.09)</b>
<b>Total Other Current Assets</b>	<b>360,269.69</b>	<b>4,133.65</b>
<b>Total Current Assets</b>	<b>711,874.48</b>	<b>359,883.76</b>
<b>Fixed Assets</b>		
101 · Gas Plant in Service (365-399)		
367.N · Pipeline Line - Steel - N	1,053,723.97	1,053,723.97
368.N · Compressor Station & Equip. - N	134,535.18	134,535.18
369 · Prison Pipeline	364,465.83	364,465.83
376.1 · Pipeline - 1" & 2"	386,662.95	386,662.95
376.3 · Pipeline - 3"	456,479.96	456,479.96
376.4 · Pipeline - 4"	1,008,793.48	1,008,793.48
376.6 · Pipeline - 6"	492,615.37	492,615.37
377 · Compressor Station & Equipment	7,160.77	7,160.77
378.1 · Reg/Odorant Station	12,474.06	12,474.06
382 · Equipment - Meters/Setup	767,580.84	762,847.78
390 · Office Building	125,000.00	125,000.00
391.1 · Office Furniture & Equipment	11,011.80	11,011.80
391.2 · Office Software	16,801.32	16,801.32

**Citipower, L. L. C.**  
**Balance Sheet**  
As of March 31, 2004

	Mar 31, 04	Dec 31, 03
392 · Automobiles/Vehicles	75,218.62	75,218.62
396 · Equipment - DW/Other	77,293.58	77,293.58
<b>Total 101 · Gas Plant in Service (365-399)</b>	<b>4,989,817.73</b>	<b>4,985,084.67</b>
108 · Accumulated Depreciation	(1,829,550.91)	(1,774,050.91)
<b>Total Fixed Assets</b>	<b>3,160,266.82</b>	<b>3,211,033.76</b>
<b>Other Assets</b>		
123 · Investment in Assoc. Companies		
123.1 · LBU, LLC investment	2,442,044.62	2,442,044.62
123.2 · Citigas, LLC investment	1,589,427.55	1,589,427.55
<b>Total 123 · Investment in Assoc. Companies</b>	<b>4,031,472.17</b>	<b>4,031,472.17</b>
<b>Total Other Assets</b>	<b>4,031,472.17</b>	<b>4,031,472.17</b>
<b>TOTAL ASSETS</b>	<b>7,903,613.47</b>	<b>7,602,389.69</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable		
232 · Accounts Payable	144,929.88	151,198.73
<b>Total Accounts Payable</b>	<b>144,929.88</b>	<b>151,198.73</b>
<b>Other Current Liabilities</b>		
231 · Notes Payable		
231.1 · Note Payable - Bank of McCreary	993,173.81	993,173.81
231.2 · Line of Credit	250,000.00	0.00
231.6 · Note Payable - LBU	245,000.00	245,000.00
<b>Total 231 · Notes Payable</b>	<b>1,488,173.81</b>	<b>1,238,173.81</b>
235 · Customer Deposits	4,650.00	6,100.00
236 · Taxes Accrued		
236.2 · Sales Tax Payable	1,243.14	2,339.02
236.3 · Severance Tax Payable	(0.01)	0.00
236.4 · School Tax Payable	3,800.87	6,804.98
<b>Total 236 · Taxes Accrued</b>	<b>5,044.00</b>	<b>9,144.00</b>
237 · Interest Accrued	5,558.00	5,558.00
242 · Misc. / Other Liabilities	227.50	227.50
<b>Total Other Current Liabilities</b>	<b>1,503,653.31</b>	<b>1,259,203.31</b>
<b>Total Current Liabilities</b>	<b>1,648,583.19</b>	<b>1,410,402.04</b>
<b>Total Liabilities</b>	<b>1,648,583.19</b>	<b>1,410,402.04</b>
<b>Equity</b>		
216 · Retained Earnings	(3,389,555.62)	(3,117,041.61)
218 · Member's Capital Contributions		
218.0 · Opening Bal Equity	63.84	0.00
218.3 · Class B - Capital Contributed	8,730,760.26	8,722,257.52
218.5 · Class C - 7% Preferred	466,574.52	466,574.52
218.7 · Class D - 7% Preferred	583,686.95	583,686.95
<b>Total 218 · Member's Capital Contributions</b>	<b>9,781,085.57</b>	<b>9,772,518.99</b>

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of March 31, 2004

	<u>Mar 31, 04</u>	<u>Dec 31, 03</u>
<b>219 · Member's Capital Distributions</b>		
219.3 · Class B - Distributions	(50,000.00)	0.00
219.5 · Class C - Distributions	(118,283.26)	(110,118.22)
219.7 · Class D - Distributions	(91,072.00)	(80,857.50)
<b>Total 219 · Member's Capital Distributions</b>	<u>(259,355.26)</u>	<u>(190,975.72)</u>
<b>Net Income</b>	<u>122,855.59</u>	<u>(272,514.01)</u>
<b>Total Equity</b>	<u>6,255,030.28</u>	<u>6,191,987.65</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>7,903,613.47</u></u>	<u><u>7,602,389.69</u></u>

Citipower, L. L. C.  
**Profit & Loss**  
 April through June 2004

Apr - Jun 04

Ordinary Income/Expense	
Income	
400 · Operating Revenues	
480 · Sales of Gas	
480.1 · Residential Sales	26,774.55
481.1 · Commercial Sales	18,304.89
481.2 · Industrial Sales	5,259.08
482.1 · Public Sales	140,522.07
	<hr/>
Total 480 · Sales of Gas	190,860.59
	<hr/>
Total 400 · Operating Revenues	190,860.59
414 · Other Operating Income	
488.2 · Late Charges Collected	364.35
488.3 · Hook up fees collected	(441.75)
489.2 · Other Gas Rev. -Transportation	9,318.85
	<hr/>
Total 414 · Other Operating Income	9,241.45
	<hr/>
Total Income	200,102.04
	<hr/>
Gross Profit	200,102.04
Expense	
401 · Operation Expense	
80X · Gas Supply Expense	
801 · Natural Gas Field Purchases	86,564.52
	<hr/>
Total 80X · Gas Supply Expense	86,564.52
85X · Transmission Expenses	
853 · Trans. Compressor Labor & Exp.	88.34
855 · Trans. Compressor Fuel & Power	
855.3 · Compressor Electricity	48.15
855.4 · Compressor Telephone	51.28
	<hr/>
Total 855 · Trans. Compressor Fuel & Power	99.43
860 · Trans. Compressor Rent	9,309.00
864 · Trans. Compressor Maintenance	4,835.03
	<hr/>
Total 85X · Transmission Expenses	14,331.80
87X · Distribution Expenses	
872 · Compressor Labor & Expenses	183.02
874 · Maintenance of Mains	27.24
875 · Measuring & Reg. Station Exp.	
875.5 · Electricity - Prison Meter	21.93
	<hr/>
Total 875 · Measuring & Reg. Station Exp.	21.93
878 · Meter & House Regulator Expense	
878.2 · Fittings & Eis, etc.	71.69
878.8 · Materials & Supplies	218.81
	<hr/>
Total 878 · Meter & House Regulator Expense	290.50
881 · Rents - Distribution Expenses	
881.1 · Rent - Schenck Compressor	3,600.00
881.4 · Rent - Shop & Storage	1,696.03
881.5 · Easements	2,400.00
	<hr/>
Total 881 · Rents - Distribution Expenses	7,696.03
893 · Maintenance of Meters & Reg.	23.78

**Citipower, L. L. C.**  
**Profit & Loss**  
 April through June 2004

	Apr - Jun 04
894 · Maintenance of Equipment	
894.1 · Equipment Repairs	93.96
894.2 · Ditchwitch Maintenance	153.66
	247.62
<b>Total 894 · Maintenance of Equipment</b>	<b>247.62</b>
<b>Total 87X · Distribution Expenses</b>	<b>8,490.12</b>
90X · Customer Accounts Expenses	
903 · Cust. Records & Collection Cost	
903.5 · Postage - Customer Billing	191.08
	191.08
<b>Total 903 · Cust. Records &amp; Collection Cost</b>	<b>191.08</b>
904 · Uncollectible Accounts	2,025.00
	2,216.08
<b>Total 90X · Customer Accounts Expenses</b>	<b>2,216.08</b>
92X · Admin. and General Expenses	
920 · Admin & General Salaries (920)	
920.2 · Mgt. Consulting Expense	9,244.39
920.4 · Management fees	15,000.00
	24,244.39
<b>Total 920 · Admin &amp; General Salaries (920)</b>	<b>24,244.39</b>
921 · Office Supplies/Expense	
921.10 · Postage/FedEx (G&A)	487.16
921.11 · Meals/Entertainment	479.22
921.2 · Bank Svce Chgs (G&A)	29.66
921.29 · Uniforms	530.76
921.4 · Office Cleaning	420.00
921.5 · Telephone	2,334.31
921.6 · Computer Expense	201.40
921.7 · Utilities (G&A)	865.24
921.8 · Office Supplies & Expenses	316.46
	5,664.21
<b>Total 921 · Office Supplies/Expense</b>	<b>5,664.21</b>
923 · Outside Services	
923.1 · Engineering Services	886.00
923.2 · Accounting Fees	7,773.07
923.3 · Contract Labor - Office	812.00
923.5 · Other-Labor	1.47
923.6 · Legal & Professional Fees	4,199.74
923.6.N · Legal & Professional Fees - N	200.00
	13,872.28
<b>Total 923 · Outside Services</b>	<b>13,872.28</b>
926 · Employee Pension/Benefit (926)	
926.1 · Insurance - Life	103.53
926.4 · Insurance - Medical	2,110.72
926.7 · Insurance - Workmans' Comp	380.71
	2,594.96
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>2,594.96</b>
930.1 · General Advertising Expenses	326.80
930.2 · Misc. General Expenses	
930.2.5 · Misc General Exp	(2,137.04)
	(2,137.04)
<b>Total 930.2 · Misc. General Expenses</b>	<b>(2,137.04)</b>
931 · Rents (SG&A)	
931.1 · Rent - copier	473.07
931 · Rents (SG&A) - Other	432.00
	905.07
<b>Total 931 · Rents (SG&amp;A)</b>	<b>905.07</b>



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**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2004

	<u>Apr - Jun 04</u>
932 · Maintenance of General Plant	
932.2 · Repairs & Maintenance - Office	326.96
932.5 · Computer Repair & Maint	35.00
932.6 · Termite Control - Office	100.67
	<hr/>
<b>Total 932 · Maintenance of General Plant</b>	<b>462.63</b>
	<hr/>
<b>Total 92X · Admin. and General Expenses</b>	<b>45,933.30</b>
	<hr/>
<b>Total 401 · Operation Expense</b>	<b>157,535.82</b>
<b>403 · Depreciation Expense</b>	<b>55,500.00</b>
<b>408.1 · Taxes Other Than Income Taxes</b>	
408.1.1 · Payroll Taxes	2,230.67
408.1.8 · Other Taxes & Fees	22.12
	<hr/>
<b>Total 408.1 · Taxes Other Than Income Taxes</b>	<b>2,252.79</b>
	<hr/>
<b>600 · Clearing Accounts</b>	
<b>656 · Payroll Clearing Accounts</b>	
656.1 · Payroll Expenses	24,600.33
656.3 · Training & Education	25.11
	<hr/>
<b>Total 656 · Payroll Clearing Accounts</b>	<b>24,625.44</b>
	<hr/>
<b>667 · Transportation Expenses</b>	
667.1 · Vehicle Expenses	1,267.54
667.3 · Vehicle Taxes	114.66
667.4 · Vehicle Repair & Maint.	839.10
667.5 · Vehicle Insurance/Title/Fees	1,071.23
	<hr/>
<b>Total 667 · Transportation Expenses</b>	<b>3,292.53</b>
	<hr/>
<b>Total 600 · Clearing Accounts</b>	<b>27,917.97</b>
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<b>Total Expense</b>	<b>243,206.58</b>
	<hr/>
<b>Net Ordinary Income</b>	<b>(43,104.54)</b>
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
426 · Donations	30.00
<b>431 · Other Interest Expense</b>	
431.2 · Interest expense - customer dep	45.67
431.4 · Interest-Note Payable	11,632.38
	<hr/>
<b>Total 431 · Other Interest Expense</b>	<b>11,678.05</b>
	<hr/>
<b>Total Other Expense</b>	<b>11,708.05</b>
	<hr/>
<b>Net Other Income</b>	<b>(11,708.05)</b>
	<hr/>
<b>Net Income</b>	<b>(54,812.59)</b>
	<hr/> <hr/>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 2004

	Jun 30, 04	Mar 31, 04
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
<b>131 - Cash</b>		
131.1 - McCreary - Operating A/C	122,918.85	67,730.71
131.2 - McCreary - Business A/C	866.15	2,589.07
131.5 - Centura A/C 0411790887	12,197.74	125,402.79
131.9 - Petty Cash	500.00	500.00
<b>Total 131 - Cash</b>	<b>136,482.74</b>	<b>196,222.57</b>
<b>Total Checking/Savings</b>	<b>136,482.74</b>	<b>196,222.57</b>
<b>Accounts Receivable</b>		
<b>142 - Customer Accounts Receivable</b>		
142.1 - A/R - Residential/Commercial	79,152.10	171,523.69
142.2 - A/R - Payment Plan	733.48	983.53
<b>Total 142 - Customer Accounts Receivable</b>	<b>79,885.58</b>	<b>172,507.22</b>
<b>144 - Allow for Uncollectible Accts.</b>	<b>(19,150.00)</b>	<b>(17,125.00)</b>
<b>Total Accounts Receivable</b>	<b>60,735.58</b>	<b>155,382.22</b>
<b>Other Current Assets</b>		
<b>134 - Other Special Deposits</b>		
134.5 - Utility Deposits	300.00	300.00
<b>Total 134 - Other Special Deposits</b>	<b>300.00</b>	<b>300.00</b>
<b>143 - Other Accounts Receivable</b>		
143.5 - Transportation Fees Receivable	5,597.94	5,059.28
<b>Total 143 - Other Accounts Receivable</b>	<b>5,597.94</b>	<b>5,059.28</b>
<b>146 - A/R from Associated Companies</b>		
146.1 - A/R - LBU, LLC	0.00	406.00
146.2 - A/R - Citigas, LLC	0.00	2,119.41
146.3 - A/R - Forexco, Inc.	551,351.41	352,385.00
<b>Total 146 - A/R from Associated Companies</b>	<b>551,351.41</b>	<b>354,910.41</b>
<b>Total Other Current Assets</b>	<b>557,249.35</b>	<b>360,269.69</b>
<b>Total Current Assets</b>	<b>754,467.67</b>	<b>711,874.48</b>
<b>Fixed Assets</b>		
<b>101 - Gas Plant in Service (365-399)</b>		
367.N - Pipeline Line - Steel - N	1,053,723.97	1,053,723.97
368.N - Compressor Station & Equip. - N	134,535.18	134,535.18
369 - Prision Pipeline	364,465.83	364,465.83
376.1 - Pipeline - 1" & 2"	386,662.95	386,662.95
376.3 - Pipeline - 3"	456,479.96	456,479.96
376.4 - Pipeline - 4"	1,008,793.48	1,008,793.48
376.6 - Pipeline - 6"	492,615.37	492,615.37
377 - Compressor Station & Equipment	7,160.77	7,160.77
378.1 - Reg/Odorant Station	12,474.06	12,474.06
382 - Equipment - Meters/Setup	767,580.84	767,580.84
390 - Office Building	125,000.00	125,000.00
391.1 - Office Furniture & Equipment	11,011.80	11,011.80
391.2 - Office Software	16,801.32	16,801.32

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2004

	Jun 30, 04	Mar 31, 04
392 · Automobiles/Vehicles	75,218.62	75,218.62
396 · Equipment - DW/Other	77,985.33	77,293.58
<b>Total 101 · Gas Plant in Service (365-399)</b>	<b>4,990,509.48</b>	<b>4,989,817.73</b>
108 · Accumulated Depreciation	(1,885,050.91)	(1,829,550.91)
<b>Total Fixed Assets</b>	<b>3,105,458.57</b>	<b>3,160,266.82</b>
<b>Other Assets</b>		
123 · Investment in Assoc. Companies		
123.1 · LBU, LLC investment	2,300,636.62	2,442,044.62
123.2 · Citigas, LLC investment	1,589,427.55	1,589,427.55
<b>Total 123 · Investment in Assoc. Companies</b>	<b>3,890,064.17</b>	<b>4,031,472.17</b>
<b>Total Other Assets</b>	<b>3,890,064.17</b>	<b>4,031,472.17</b>
<b>TOTAL ASSETS</b>	<b>7,749,990.41</b>	<b>7,903,613.47</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
232 · Accounts Payable	68,943.36	144,929.88
<b>Total Accounts Payable</b>	<b>68,943.36</b>	<b>144,929.88</b>
<b>Other Current Liabilities</b>		
231 · Notes Payable		
231.1 · Note Payable - Bank of McCreary	993,173.81	993,173.81
231.2 · Line of Credit	250,000.00	250,000.00
231.6 · Note Payable - LBU	245,000.00	245,000.00
<b>Total 231 · Notes Payable</b>	<b>1,488,173.81</b>	<b>1,488,173.81</b>
235 · Customer Deposits	3,700.00	4,650.00
236 · Taxes Accrued		
236.2 · Sales Tax Payable	313.61	1,243.14
236.3 · Severance Tax Payable	0.00	(0.01)
236.4 · School Tax Payable	1,202.57	3,800.87
<b>Total 236 · Taxes Accrued</b>	<b>1,516.18</b>	<b>5,044.00</b>
237 · Interest Accrued	5,558.00	5,558.00
242 · Misc. / Other Liabilities	227.50	227.50
<b>Total Other Current Liabilities</b>	<b>1,499,175.49</b>	<b>1,503,653.31</b>
<b>Total Current Liabilities</b>	<b>1,568,118.85</b>	<b>1,648,583.19</b>
<b>Total Liabilities</b>	<b>1,568,118.85</b>	<b>1,648,583.19</b>
<b>Equity</b>		
216 · Retained Earnings	(3,389,555.62)	(3,389,555.62)
218 · Member's Capital Contributions		
218.0 · Opening Bal Equity	97.25	63.84
218.3 · Class B - Capital Contributed	8,730,760.26	8,730,760.26
218.5 · Class C - 7% Preferred	466,574.52	466,574.52
218.7 · Class D - 7% Preferred	583,686.95	583,686.95
<b>Total 218 · Member's Capital Contributions</b>	<b>9,781,118.98</b>	<b>9,781,085.57</b>

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08/03/04

Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2004

	<u>Jun 30, 04</u>	<u>Mar 31, 04</u>
<b>219 · Member's Capital Distributions</b>		
<b>219.3 · Class B - Distributions</b>	(50,000.00)	(50,000.00)
<b>219.5 · Class C - Distributions</b>	(126,448.30)	(118,283.26)
<b>219.7 · Class D - Distributions</b>	(101,286.50)	(91,072.00)
<b>Total 219 · Member's Capital Distributions</b>	<u>(277,734.80)</u>	<u>(259,355.26)</u>
<b>Net Income</b>	68,043.00	122,855.59
<b>Total Equity</b>	<u>6,181,871.56</u>	<u>6,255,030.28</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>7,749,990.41</u></u>	<u><u>7,903,613.47</u></u>

C

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FACSIMILE TRANSMITTAL SHEET

TO: M. Christina Whelan, CPA FROM: David Hutchinson  
 COMPANY: Kentucky Public Service Commission DATE: 8-3-2004  
 FAX NUMBER: 502-564-3460 / 1582 TOTAL NO. OF PAGES INCLUDING COVER: 13  
 PHONE NUMBER: 502-564-3940 x 233 SENDER'S REFERENCE NUMBER:  
 RE: Citipower, LLC Quarterly Financial Reports YOUR REFERENCE NUMBER:

- URGENT     FOR REVIEW     PLEASE COMMENT     PLEASE REPLY     PLEASE RECYCLE

NOTES/COMMENTS:

Chris:

Attached are Quarterly Financial Statements for Citipower, LLC for the first and second quarters of 2004. The statements consist of comparative balance sheets and detailed income statements as required by the PSC Staff Report on Citipower, LLC, Case No. 99-225.

It is my understanding that Garland Shaw previously <sup>provided</sup> Quarterly Financial Statements up through the quarter ended 12-31-2003. Please let me know if that is not correct.

*David Gulik*

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08/03/04

Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
 January through March 2004

	Jan - Mar 04
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
400 · Operating Revenues	
480 · Sales of Gas	
480.1 · Residential Sales	139,588.41
481.1 · Commercial Sales	58,795.00
481.2 · Industrial Sales	29,898.21
482.1 · Public Sales	288,930.25
	514,991.87
<b>Total 480 · Sales of Gas</b>	<b>514,991.87</b>
<b>Total 400 · Operating Revenues</b>	<b>514,991.87</b>
414 · Other Operating Income	
488.2 · Late Charges Collected	2,791.51
488.3 · Hook up fees collected	641.75
489.2 · Other Gas Rev. -Transportation	8,126.88
	11,560.14
<b>Total 414 · Other Operating Income</b>	<b>11,560.14</b>
<b>Total Income</b>	<b>526,552.01</b>
<b>Gross Profit</b>	<b>526,552.01</b>
<b>Expense</b>	
401 · Operation Expense	
80X · Gas Supply Expense	
801 · Natural Gas Field Purchases	215,809.87
	215,809.87
<b>Total 80X · Gas Supply Expense</b>	<b>215,809.87</b>
85X · Transmission Expenses	
855 · Trans. Compressor Fuel & Power	
855.3 · Compressor Electricity	18.05
855 · Trans. Compressor Fuel & Power - Other	32.10
	48.15
<b>Total 855 · Trans. Compressor Fuel &amp; Power</b>	<b>48.15</b>
860 · Trans. Compressor Rent	9,309.00
864 · Trans. Compressor Maintenance	945.52
	10,302.67
<b>Total 85X · Transmission Expenses</b>	<b>10,302.67</b>
87X · Distribution Expenses	
874 · Maintenance of Mains	757.70
875 · Measuring & Reg. Station Exp.	
875.5 · Electricity - Prison Meter	21.93
	21.93
<b>Total 875 · Measuring &amp; Reg. Station Exp.</b>	<b>21.93</b>
878 · Meter & House Regulator Expense	
878.5 · Equipment Rental	250.00
878.8 · Materials & Supplies	1,795.86
	2,045.86
<b>Total 878 · Meter &amp; House Regulator Expense</b>	<b>2,045.86</b>
881 · Rents - Distribution Expenses	
881.1 · Rent - Schenck Compressor	3,600.00
881.4 · Rent - Shop & Storage	1,706.70
881.5 · Easements	(2,225.00)
	3,081.70
<b>Total 881 · Rents - Distribution Expenses</b>	<b>3,081.70</b>
<b>Total 87X · Distribution Expenses</b>	<b>5,907.19</b>

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08/03/04

Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
 January through March 2004

	Jan - Mar 04
90X · Customer Accounts Expenses	
903 · Cust. Records & Collection Cost	
903.5 · Postage - Customer Billing	703.58
Total 903 · Cust. Records & Collection Cost	703.58
904 · Uncollectible Accounts	2,025.00
Total 90X · Customer Accounts Expenses	2,728.58
92X · Admin. and General Expenses	
920 · Admin & General Salaries (920)	
920.2 · Mgt. Consulting Expense	11,709.83
920.4 · Management fees	15,000.00
Total 920 · Admin & General Salaries (920)	26,709.83
921 · Office Supplies/Expense	
921.10 · Postage/FedEx (G&A)	147.44
921.11 · Meals/Entertainment	437.00
921.2 · Bank Svce Chgs (G&A)	48.53
921.29 · Uniforms	799.45
921.3 · Dues and Subscriptions	1,175.00
921.4 · Office Cleaning	75.00
921.5 · Telephone	2,389.07
921.6 · Computer Expense	2,500.00
921.7 · Utilities (G&A)	2,214.85
921.8 · Office Supplies & Expenses	1,134.50
Total 921 · Office Supplies/Expense	10,920.84
923 · Outside Services	
923.1 · Engineering Services	1,970.00
923.2 · Accounting Fees	287.91
923.3 · Contract Labor - Office	644.00
923.5 · Other-Labor	1,000.00
923.8 · Legal & Professional Fees	105.00
Total 923 · Outside Services	4,006.91
925 · Injuries & Damages	
925.5 · Employee Drug Testing Service	250.00
Total 925 · Injuries & Damages	250.00
926 · Employee Pension/Benefit (926)	
926.1 · Insurance - Life	364.55
926.4 · Insurance - Medical	1,772.25
926.7 · Insurance - Workmans' Comp	817.33
926.9 · Flower Fund	145.91
Total 926 · Employee Pension/Benefit (926)	3,100.04
930.1 · General Advertising Expenses	261.40
931 · Rents (SG&A)	
931.1 · Rent - copier	473.07
Total 931 · Rents (SG&A)	473.07

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2004

	<u>Jan - Mar 04</u>
932 - Maintenance of General Plant	
932.2 - Repairs & Maintenance - Office	150.00
932.5 - Computer Repair & Maint	400.00
<b>Total 932 - Maintenance of General Plant</b>	<u>550.00</u>
<b>Total 92X - Admin. and General Expenses</b>	<u>46,272.09</u>
<b>Total 401 - Operation Expense</b>	281,020.40
403 - Depreciation Expense	55,500.00
408.1 - Taxes Other Than Income Taxes	
408.1.1 - Payroll Taxes	2,710.66
408.1.4 - Property Taxes	22,781.11
408.1.8 - Other Taxes & Fees	200.00
<b>Total 408.1 - Taxes Other Than Income Taxes</b>	<u>25,691.77</u>
600 - Clearing Accounts	
656 - Payroll Clearing Accounts	
656.1 - Payroll Expenses	24,982.89
656.3 - Training & Education	1,062.59
<b>Total 656 - Payroll Clearing Accounts</b>	<u>26,045.48</u>
667 - Transportation Expenses	
667.1 - Vehicle Expenses	610.35
667.4 - Vehicle Repair & Maint.	1,382.96
667.5 - Vehicle Insurance/Title/Fees	1,347.62
<b>Total 667 - Transportation Expenses</b>	<u>3,340.93</u>
<b>Total 600 - Clearing Accounts</b>	<u>29,386.41</u>
<b>Total Expense</b>	<u>391,598.58</u>
<b>Net Ordinary Income</b>	134,953.43
<b>Other Income/Expense</b>	
Other Expense	
431 - Other Interest Expense	
431.1 - Interest - LOC	70.00
431.2 - Interest expense - customer dep	136.97
431.4 - Interest-Note Payable	11,890.87
<b>Total 431 - Other Interest Expense</b>	<u>12,097.84</u>
<b>Total Other Expense</b>	<u>12,097.84</u>
<b>Net Other Income</b>	<u>(12,097.84)</u>
<b>Net Income</b>	<u>122,855.59</u>



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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 2004

	Mar 31, 04	Dec 31, 03
<b>ASSETS</b>		
<b>Current Assets</b>		
Checking/Savings		
131 · Cash		
131.1 · McCreary - Operating A/C	67,730.71	83,914.02
131.2 · McCreary - Business A/C	2,589.07	2,643.24
131.5 · Centura A/C 0411790887	125,402.79	34,097.39
131.9 · Petty Cash	500.00	568.00
<b>Total 131 · Cash</b>	<b>196,222.57</b>	<b>121,222.65</b>
<b>Total Checking/Savings</b>	<b>196,222.57</b>	<b>121,222.65</b>
Accounts Receivable		
142 · Customer Accounts Receivable		
142.1 · A/R - Residential/Commercial	171,523.69	248,110.49
142.2 · A/R - Payment Plan	983.53	1,516.97
<b>Total 142 · Customer Accounts Receivable</b>	<b>172,507.22</b>	<b>249,627.46</b>
144 · Allow for Uncollectible Accts.	(17,125.00)	(15,100.00)
<b>Total Accounts Receivable</b>	<b>155,382.22</b>	<b>234,527.46</b>
Other Current Assets		
134 · Other Special Deposits		
134.5 · Utility Deposits	300.00	300.00
<b>Total 134 · Other Special Deposits</b>	<b>300.00</b>	<b>300.00</b>
143 · Other Accounts Receivable		
143.5 · Transportation Fees Receivable	5,059.28	4,995.74
<b>Total 143 · Other Accounts Receivable</b>	<b>5,059.28</b>	<b>4,995.74</b>
146 · A/R from Associated Companies		
146.1 · A/R - LBU, LLC	406.00	406.00
146.2 · A/R - Citigas, LLC	2,119.41	2,119.41
146.3 · A/R - Forexco, Inc.	352,385.00	(3,687.50)
<b>Total 146 · A/R from Associated Companies</b>	<b>354,910.41</b>	<b>(1,162.09)</b>
<b>Total Other Current Assets</b>	<b>380,269.69</b>	<b>4,133.65</b>
<b>Total Current Assets</b>	<b>711,874.48</b>	<b>359,883.78</b>
<b>Fixed Assets</b>		
101 · Gas Plant in Service (385-389)		
367.N · Pipeline Line - Steel - N	1,053,723.97	1,053,723.97
368.N · Compressor Station & Equip. - N	134,535.18	134,535.18
369 · Prison Pipeline	364,465.83	364,465.83
376.1 · Pipeline - 1" & 2"	386,862.95	386,862.95
376.3 · Pipeline - 3"	456,479.96	456,479.96
376.4 · Pipeline - 4"	1,008,793.48	1,008,793.48
376.6 · Pipeline - 6"	492,615.37	492,615.37
377 · Compressor Station & Equipment	7,160.77	7,160.77
378.1 · Reg/Odorant Station	12,474.06	12,474.06
382 · Equipment - Meters/Setup	767,580.84	762,847.78
390 · Office Building	125,000.00	125,000.00
391.1 · Office Furniture & Equipment	11,011.80	11,011.80
391.2 · Office Software	16,801.32	16,801.32

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 2004

	Mar 31, 04	Dec 31, 03
392 · Automobiles/Vehicles	75,218.62	75,218.62
396 · Equipment - DW/Other	77,293.58	77,293.58
<b>Total 101 · Gas Plant in Service (365-399)</b>	<b>4,989,817.73</b>	<b>4,985,084.67</b>
108 · Accumulated Depreciation	(1,829,550.91)	(1,774,050.91)
<b>Total Fixed Assets</b>	<b>3,160,266.82</b>	<b>3,211,033.76</b>
<b>Other Assets</b>		
123 · Investment in Assoc. Companies		
231.1 · LBU, LLC investment	2,442,044.62	2,442,044.62
232 · Citigas, LLC investment	1,589,427.55	1,589,427.55
<b>Total 123 · Investment in Assoc. Companies</b>	<b>4,031,472.17</b>	<b>4,031,472.17</b>
<b>Total Other Assets</b>	<b>4,031,472.17</b>	<b>4,031,472.17</b>
<b>TOTAL ASSETS</b>	<b>7,903,613.47</b>	<b>7,802,389.69</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
232 · Accounts Payable	144,929.88	151,198.73
<b>Total Accounts Payable</b>	144,929.88	151,198.73
<b>Other Current Liabilities</b>		
231 · Notes Payable		
231.1 · Note Payable - Bank of McCreary	993,173.81	993,173.81
231.2 · Line of Credit	250,000.00	0.00
231.6 · Note Payable - LBU	245,000.00	245,000.00
<b>Total 231 · Notes Payable</b>	1,488,173.81	1,238,173.81
235 · Customer Deposits	4,850.00	6,100.00
236 · Taxes Accrued		
236.2 · Sales Tax Payable	1,243.14	2,339.02
236.3 · Severance Tax Payable	(0.01)	0.00
236.4 · School Tax Payable	3,800.87	8,804.98
<b>Total 236 · Taxes Accrued</b>	5,044.00	9,144.00
237 · Interest Accrued	5,558.00	5,558.00
242 · Misc. / Other Liabilities	227.50	227.50
<b>Total Other Current Liabilities</b>	1,503,853.31	1,259,203.31
<b>Total Current Liabilities</b>	1,648,583.19	1,410,402.04
<b>Total Liabilities</b>	1,648,583.19	1,410,402.04
<b>Equity</b>		
216 · Retained Earnings	(3,389,555.82)	(3,117,041.61)
218 · Member's Capital Contributions		
218.0 · Opening Bal Equity	63.84	0.00
218.3 · Class B - Capital Contributed	8,730,760.28	8,722,257.52
218.5 · Class C - 7% Preferred	466,574.52	466,574.52
218.7 · Class D - 7% Preferred	583,686.95	583,686.95
<b>Total 218 · Member's Capital Contributions</b>	9,781,085.57	9,772,518.99

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08/03/04

Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
**As of March 31, 2004**

	Mar 31, 04	Dec 31, 03
<b>219 - Member's Capital Distributions</b>		
219.3 - Class B - Distributions	(50,000.00)	0.00
219.5 - Class C - Distributions	(118,283.26)	(110,118.22)
219.7 - Class D - Distributions	(91,072.00)	(80,857.50)
<b>Total 219 - Member's Capital Distributions</b>	<u>(259,355.26)</u>	<u>(190,975.72)</u>
<b>Net Income</b>	<u>122,855.59</u>	<u>(272,514.01)</u>
<b>Total Equity</b>	<u>6,255,030.28</u>	<u>6,191,987.65</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>7,903,613.47</u></u>	<u><u>7,602,389.69</u></u>

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2004

	<u>Apr - Jun 04</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
400 · Operating Revenues	
480 · Sales of Gas	
480.1 · Residential Sales	26,774.55
481.1 · Commercial Sales	18,304.89
481.2 · Industrial Sales	5,259.08
482.1 · Public Sales	140,522.07
<b>Total 480 · Sales of Gas</b>	<u>190,860.59</u>
<b>Total 400 · Operating Revenues</b>	190,860.59
414 · Other Operating Income	
488.2 · Late Charges Collected	364.35
488.3 · Hook up fees collected	(441.75)
489.2 · Other Gas Rev. -Transportation	9,318.85
<b>Total 414 · Other Operating Income</b>	<u>9,241.45</u>
<b>Total Income</b>	<u>200,102.04</u>
<b>Gross Profit</b>	200,102.04
<b>Expense</b>	
401 · Operation Expense	
80X · Gas Supply Expense	
801 · Natural Gas Field Purchases	86,564.52
<b>Total 80X · Gas Supply Expense</b>	<u>86,564.52</u>
85X · Transmission Expenses	
853 · Trans. Compressor Labor & Exp.	88.34
855 · Trans. Compressor Fuel & Power	
855.3 · Compressor Electricity	48.15
855.4 · Compressor Telephone	51.28
<b>Total 855 · Trans. Compressor Fuel &amp; Power</b>	99.43
860 · Trans. Compressor Rent	9,309.00
864 · Trans. Compressor Maintenance	4,835.03
<b>Total 85X · Transmission Expenses</b>	<u>14,331.80</u>
87X · Distribution Expenses	
872 · Compressor Labor & Expenses	183.02
874 · Maintenance of Mains	27.24
875 · Measuring & Reg. Station Exp.	
875.5 · Electricity - Prision Meter	21.93
<b>Total 875 · Measuring &amp; Reg. Station Exp.</b>	21.93
878 · Meter & House Regulator Expense	
878.2 · Fittings & Els, etc.	71.69
878.8 · Materials & Supplies	218.81
<b>Total 878 · Meter &amp; House Regulator Expense</b>	290.50
881 · Rents - Distribution Expenses	
881.1 · Rent - Schenck Compressor	3,600.00
881.4 · Rent - Shop & Storage	1,696.03
881.5 · Easements	2,400.00
<b>Total 881 · Rents - Distribution Expenses</b>	<u>7,696.03</u>
893 · Maintenance of Meters & Reg.	23.78

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2004

	<u>Apr - Jun 04</u>
894 · Maintenance of Equipment	
894.1 · Equipment Repairs	93.96
894.2 · Ditchwitch Maintenance	153.66
<b>Total 894 · Maintenance of Equipment</b>	<u>247.62</u>
<b>Total 87X · Distribution Expenses</b>	8,490.12
90X · Customer Accounts Expenses	
903 · Cust. Records & Collection Cost	
903.5 · Postage - Customer Billing	191.08
<b>Total 903 · Cust. Records &amp; Collection Cost</b>	191.08
904 · Uncollectible Accounts	2,025.00
<b>Total 90X · Customer Accounts Expenses</b>	2,216.08
92X · Admin. and General Expenses	
920 · Admin & General Salaries (920)	
920.2 · Mgt. Consulting Expense	9,244.39
920.4 · Management fees	15,000.00
<b>Total 920 · Admin &amp; General Salaries (920)</b>	24,244.39
921 · Office Supplies/Expense	
921.10 · Postage/FedEx (G&A)	487.16
921.11 · Meals/Entertainment	479.22
921.2 · Bank Svce Chgs (G&A)	29.66
921.29 · Uniforms	530.76
921.4 · Office Cleaning	420.00
921.5 · Telephone	2,334.31
921.6 · Computer Expense	201.40
921.7 · Utilities (G&A)	865.24
921.8 · Office Supplies & Expenses	316.46
<b>Total 921 · Office Supplies/Expense</b>	5,664.21
923 · Outside Services	
923.1 · Engineering Services	886.00
923.2 · Accounting Fees	7,773.07
923.3 · Contract Labor - Office	812.00
923.5 · Other-Labor	1.47
923.6 · Legal & Professional Fees	4,199.74
923.6,N · Legal & Professional Fees - N	200.00
<b>Total 923 · Outside Services</b>	13,872.28
926 · Employee Pension/Benefit (926)	
926.1 · Insurance - Life	103.53
926.4 · Insurance - Medical	2,110.72
926.7 · Insurance - Workmans' Comp	380.71
<b>Total 926 · Employee Pension/Benefit (926)</b>	2,594.96
930.1 · General Advertising Expenses	326.80
930.2 · Misc. General Expenses	
930.2.5 · Misc General Exp	(2,137.04)
<b>Total 930.2 · Misc. General Expenses</b>	(2,137.04)
931 · Rents (SG&A)	
931.1 · Rent - copier	473.07
931 · Rents (SG&A) - Other	432.00
<b>Total 931 · Rents (SG&amp;A)</b>	905.07

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
**April through June 2004**

	<u>Apr - Jun 04</u>
932 · Maintenance of General Plant	
932.2 · Repairs & Maintenance - Office	326.96
932.5 · Computer Repair & Maint	35.00
932.6 · Termite Control - Office	100.87
	<u>482.83</u>
Total 932 · Maintenance of General Plant	
Total 92X · Admin. and General Expenses	<u>45,933.30</u>
Total 401 · Operation Expense	157,535.82
403 · Depreciation Expense	55,500.00
408.1 · Taxes Other Than Income Taxes	
408.1.1 · Payroll Taxes	2,230.67
408.1.8 · Other Taxes & Fees	22.12
	<u>2,252.79</u>
Total 408.1 · Taxes Other Than Income Taxes	
600 · Clearing Accounts	
656 · Payroll Clearing Accounts	
656.1 · Payroll Expenses	24,600.33
656.3 · Training & Education	25.11
	<u>24,625.44</u>
Total 656 · Payroll Clearing Accounts	
667 · Transportation Expenses	
667.1 · Vehicle Expenses	1,267.54
687.3 · Vehicle Taxes	114.66
667.4 · Vehicle Repair & Maint.	839.10
667.5 · Vehicle Insurance/Title/Fees	1,071.23
	<u>3,292.53</u>
Total 667 · Transportation Expenses	
Total 600 · Clearing Accounts	<u>27,917.97</u>
Total Expense	<u>243,206.58</u>
Net Ordinary Income	(43,104.54)
Other Income/Expense	
Other Expense	
426 · Donations	30.00
431 · Other Interest Expense	
431.2 · Interest expense - customer dep	45.67
431.4 · Interest-Note Payable	11,632.38
	<u>11,678.05</u>
Total 431 · Other Interest Expense	
Total Other Expense	<u>11,708.05</u>
Net Other Income	(11,708.05)
Net Income	<u>(54,812.59)</u>

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08/03/04

Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 2004

	Jun 30, 04	Mar 31, 04
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
131 · Cash		
131.1 · McCreary - Operating A/C	122,918.85	67,730.71
131.2 · McCreary - Business A/C	866.15	2,589.07
131.5 · Centura A/C 0411790887	12,197.74	125,402.79
131.9 · Petty Cash	500.00	500.00
<b>Total 131 · Cash</b>	<b>136,482.74</b>	<b>196,222.57</b>
<b>Total Checking/Savings</b>	<b>136,482.74</b>	<b>196,222.57</b>
<b>Accounts Receivable</b>		
142 · Customer Accounts Receivable		
142.1 · A/R - Residential/Commercial	79,152.10	171,523.89
142.2 · A/R - Payment Plan	733.48	983.53
<b>Total 142 · Customer Accounts Receivable</b>	<b>79,885.58</b>	<b>172,507.22</b>
144 · Allow for Uncollectible Accts.	(19,150.00)	(17,125.00)
<b>Total Accounts Receivable</b>	<b>60,735.58</b>	<b>155,382.22</b>
<b>Other Current Assets</b>		
134 · Other Special Deposits		
134.5 · Utility Deposits	300.00	300.00
<b>Total 134 · Other Special Deposits</b>	<b>300.00</b>	<b>300.00</b>
143 · Other Accounts Receivable		
143.5 · Transportation Fees Receivable	5,597.94	5,059.28
<b>Total 143 · Other Accounts Receivable</b>	<b>5,597.94</b>	<b>5,059.28</b>
146 · A/R from Associated Companies		
146.1 · A/R - LBU, LLC	0.00	406.00
146.2 · A/R - Citigas, LLC	0.00	2,119.41
146.3 · A/R - Forexco, Inc.	551,351.41	352,385.00
<b>Total 146 · A/R from Associated Companies</b>	<b>551,351.41</b>	<b>354,910.41</b>
<b>Total Other Current Assets</b>	<b>557,249.35</b>	<b>360,269.69</b>
<b>Total Current Assets</b>	<b>754,487.67</b>	<b>711,874.48</b>
<b>Fixed Assets</b>		
101 · Gas Plant In Service (365-399)		
367.N · Pipeline Line - Steel - N	1,053,723.97	1,053,723.97
368.N · Compressor Station & Equip. - N	134,535.18	134,535.18
369 · Prison Pipeline	364,465.83	364,465.83
376.1 · Pipeline - 1" & 2"	386,662.95	386,662.95
376.3 · Pipeline - 3"	456,479.96	456,479.96
376.4 · Pipeline - 4"	1,008,793.48	1,008,793.48
376.6 · Pipeline - 6"	492,615.37	492,615.37
377 · Compressor Station & Equipment	7,160.77	7,160.77
378.1 · Reg/Odorant Station	12,474.06	12,474.06
382 · Equipment - Meters/Setup	767,580.84	767,580.84
390 · Office Building	125,000.00	125,000.00
391.1 · Office Furniture & Equipment	11,011.80	11,011.80
391.2 · Office Software	16,801.32	16,801.32

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2004

	Jun 30, 04	Mar 31, 04
392 · Automobiles/Vehicles	75,218.62	75,218.62
396 · Equipment - DW/Other	77,985.33	77,293.58
<b>Total 101 · Gas Plant in Service (365-399)</b>	<b>4,990,509.48</b>	<b>4,989,817.73</b>
108 · Accumulated Depreciation	(1,885,050.91)	(1,829,550.91)
<b>Total Fixed Assets</b>	<b>3,105,458.57</b>	<b>3,160,266.82</b>
<b>Other Assets</b>		
123 · Investment in Assoc. Companies		
231.1 · LBU, LLC Investment	2,300,636.62	2,442,044.62
232.2 · Citigas, LLC Investment	1,589,427.55	1,589,427.55
<b>Total 123 · Investment in Assoc. Companies</b>	<b>3,890,064.17</b>	<b>4,031,472.17</b>
<b>Total Other Assets</b>	<b>3,890,064.17</b>	<b>4,031,472.17</b>
<b>TOTAL ASSETS</b>	<b>7,749,990.41</b>	<b>7,903,613.47</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable		
232 · Accounts Payable	68,943.36	144,929.88
<b>Total Accounts Payable</b>	<b>68,943.36</b>	<b>144,929.88</b>
<b>Other Current Liabilities</b>		
231 · Notes Payable		
231.1 · Note Payable - Bank of McCreary	993,173.81	993,173.81
231.2 · Line of Credit	250,000.00	250,000.00
231.6 · Note Payable - LBU	245,000.00	245,000.00
<b>Total 231 · Notes Payable</b>	<b>1,488,173.81</b>	<b>1,488,173.81</b>
235 · Customer Deposits	3,700.00	4,650.00
236 · Taxes Accrued		
236.2 · Sales Tax Payable	313.61	1,243.14
236.3 · Severance Tax Payable	0.00	(0.01)
236.4 · School Tax Payable	1,202.57	3,800.87
<b>Total 236 · Taxes Accrued</b>	<b>1,516.18</b>	<b>5,044.00</b>
237 · Interest Accrued	5,558.00	5,558.00
242 · Misc. / Other Liabilities	227.50	227.50
<b>Total Other Current Liabilities</b>	<b>1,499,175.49</b>	<b>1,503,653.31</b>
<b>Total Current Liabilities</b>	<b>1,568,118.85</b>	<b>1,648,583.19</b>
<b>Total Liabilities</b>	<b>1,568,118.85</b>	<b>1,648,583.19</b>
<b>Equity</b>		
216 · Retained Earnings	(3,389,555.62)	(3,389,555.82)
218 · Member's Capital Contributions		
218.0 · Opening Bal Equity	97.25	63.84
218.3 · Class B - Capital Contributed	8,730,760.28	8,730,760.26
218.5 · Class C - 7% Preferred	466,574.52	466,574.52
218.7 · Class D - 7% Preferred	583,686.95	583,686.95
<b>Total 218 · Member's Capital Contributions</b>	<b>9,781,118.98</b>	<b>9,781,085.57</b>



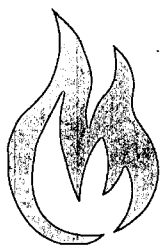
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08/03/04

Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2004

	<u>Jun 30, 04</u>	<u>Mar 31, 04</u>
<b>219 · Member's Capital Distributions</b>		
219.3 · Class B - Distributions	(50,000.00)	(50,000.00)
219.5 · Class C - Distributions	(126,448.30)	(118,283.28)
219.7 · Class D - Distributions	(101,286.50)	(91,072.00)
<b>Total 219 · Member's Capital Distributions</b>	<u>(277,734.80)</u>	<u>(259,355.28)</u>
<b>Net Income</b>	<u>68,043.00</u>	<u>122,855.59</u>
<b>Total Equity</b>	<u>6,181,871.56</u>	<u>6,255,030.28</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>7,749,990.41</u></u>	<u><u>7,903,613.47</u></u>



# Citipower

RECEIVED

MAR 26 2004

PUBLIC SERVICE  
COMMISSION

March 19, 2004

Commonwealth of Kentucky  
Public Service Commission  
Attn: Office of Executive Director  
211 Sower Blvd.  
Frankfurt, Kentucky 40602

Case No. 1999-00225

Subject: Citipower Responses and Applications

Gentlemen,

Enclosed you will find the following documents in response to notices from the Kentucky Public Service Commission to Citipower, L.L.C.:

1. Responses to Staff Report on Citipower, LLC Case No. 99-225
2. Responses to Report of Follow-up Examination received from the Commission on February 27, 2004. - *Filed in Audit Branch*
3. Application for Note Renewal - *To be set up as new case*
4. Quarterly financial reports for 1999-2003 - *Filed in 99-225*

Citipower has expended a considerable amount of effort over the last several months in order to cure its previously outstanding deficiencies and to demonstrate that it is serious about complying with applicable statutes and regulations and Commission orders.

If you have any questions please contact Garland Shaw at 336-379-0800.

Sincerely,



Dan Forsberg  
President

Enclosures

2122 Enterprise Road  
Greensboro, NC 27408

## **Citipower's Responses to Staff Report for Case No. 99-225**

Responses to list of items that will require corrective action:

### **1. Plant Records**

Plant records now reflect the historical cost of utility property, plant and equipment.

### **2. Subsidiary Plant Records**

Citipower has established a subsidiary plant ledger to reflect the continuing property records of the utility.

### **3. Capitalization of Previously Expensed Costs**

Citipower has capitalized the expenses that were previously incorrectly expensed.

### **4. Depreciation Records**

Citipower is now correctly calculating depreciation in accordance with the findings of the report.

### **5. Maintaining Books and Records**

Citipower has corrected its accounting procedures to assure that the general ledger supporting the information in its Annual Report is correct.

### **6. Records Retention**

Citipower now retains its accounting records in accordance with the USoA requirements.

### **7. Non-jurisdictional Business Activity**

Citipower has developed a Cost Allocation Manual that will be filed in March 2004. Furthermore, it has established new general ledger accounts for nonregulated activity and implemented service contracts between it and its affiliates.

### **8. Certificate of Public Convenience and Necessity**

Citipower has not conducted any construction activity in the past three years. Prior to commencing any future activity it will seek approval from the Commission.

### **9. Financing Approval**

Citipower is now seeking Commission approval for a debt that it has incurred with the Bank of McCreary County that will not be repaid in the next two years. All other debt will be repaid in 2004.

#### **10. Financial Reporting**

Citipower has failed to adhere to this order since the issuance of the Staff Report for Case No. 99-225. However, Annual Reports have been filed each year since then and you will find these quarterly reports enclosed. Considering the progress that Citipower has made in complying to the other recommendations that were made in the report, we request that the Commission waive this order for future quarterly report submittals.

#### **11. GCA Filings**

Citipower is now making quarterly GCA filings in accordance with its tariff.

#### **12. Unauthorized Rates**

Citipower does not charge rates for regulated utility services that have not been approved by the Commission.

#### **13. 1999 Financial Statements**

Financial statements are now prepared in accordance with the recommendations made in the report.

#### **14. Plan for Compliance with Recommendations**

Although no Plan for Compliance was previously filed, Citipower has taken action and cured the deficiencies noted in the report.

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 1999

	Jan - Mar 99	Jan - Mar 99
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	27,198.43	27,198.43
480.2 · Commercial Sales	11,040.11	11,040.11
480.3 · Industrial Sales	15,437.88	15,437.88
480.4 · Public Sales	51,904.78	51,904.78
<b>Total 480 · Ultimate Consumers</b>	<b>105,581.20</b>	<b>105,581.20</b>
483 · Sales for Resale	359.04	359.04
<b>Total 4800 · Operating Revenues</b>	<b>105,940.24</b>	<b>105,940.24</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	134.14	134.14
488.3 · Hook up fees collected	4,685.68	4,685.68
<b>Total 488.1 · Misc Service Revenues</b>	<b>4,819.82</b>	<b>4,819.82</b>
495 · Other Gas Revenues-Transportati	11,414.21	11,414.21
<b>Total 484 · Other Operating Revenue</b>	<b>16,234.03</b>	<b>16,234.03</b>
<b>Total Income</b>	<b>122,174.27</b>	<b>122,174.27</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	9,451.33	9,451.33
730.4 · Compressor Rent	10,599.99	10,599.99
730.5 · Severance Tax	1,804.88	1,804.88
<b>Total 730 · Cost of Goods Sold</b>	<b>21,856.20</b>	<b>21,856.20</b>
<b>Total COGS</b>	<b>21,856.20</b>	<b>21,856.20</b>
<b>Gross Profit</b>	<b>100,318.07</b>	<b>100,318.07</b>
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	64.23	64.23
<b>Total 900.1 · Customer Accounts Expense</b>	<b>64.23</b>	<b>64.23</b>
907 · Cust Svc & Info Expenses		
907.1 · Customer Repair/Maintenance		
907.2 · Labor	375.00	375.00
907.3 · Materials	1,263.82	1,263.82
907.5 · Mileage	77.00	77.00
907.6 · Other	114.16	114.16
907.1 · Customer Repair/Maintenance - Ot...	12.87	12.87
<b>Total 907.1 · Customer Repair/Maintenance</b>	<b>1,842.85</b>	<b>1,842.85</b>
908 · New Customer Hookup Expense		
908.2 · Materials	-26.55	-26.55
<b>Total 908 · New Customer Hookup Expense</b>	<b>-26.55</b>	<b>-26.55</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>1,816.30</b>	<b>1,816.30</b>
920 · Admin & Gen Expense		
936 · Capitalized Expenses	-28,226.54	-28,226.54
920.1 · Admin & General Salaries (920)		
920.3 · Commissions Paid	1,750.00	1,750.00
6560 · Payroll Expenses	43,864.74	43,864.74
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<b>45,614.74</b>	<b>45,614.74</b>

**Citipower, L. L. C.**  
**Profit & Loss**

January through March 1999

	Jan - Mar 99	Jan - Mar 99
<b>921 · Office Supplies/Expense (921)</b>		
921.1 · Office Supplies	49.18	49.18
921.2 · Office Cleaning	148.68	148.68
921 · Office Supplies/Expense (921) - Other	490.21	490.21
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>688.07</b>	<b>688.07</b>
<b>923 · Outside Services (923)</b>		
923.2 · Accounting Fees	32,064.79	32,064.79
923.6 · Legal Fee & Professional Fees	22,489.85	22,489.85
<b>Total 923 · Outside Services (923)</b>	<b>54,554.64</b>	<b>54,554.64</b>
<b>925 · Injuries &amp; Damages</b>		
925.2 · Insurance - Liability	2,524.28	2,524.28
925.4 · Insurance - Workmans' Comp	7,798.30	7,798.30
925.5 · Insurance-Medical	3,423.94	3,423.94
<b>Total 925 · Injuries &amp; Damages</b>	<b>13,746.52</b>	<b>13,746.52</b>
926 · Employee Pension/Benefit (926)	830.10	830.10
928 · Regulatory Comm Expenses (928)	6,000.00	6,000.00
930 · Gen Advertising & Mktg Exp		
930.1 · Advertising	50.00	50.00
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>50.00</b>	<b>50.00</b>
930.3 · Misc General Exp		
930.3.1 · Bank Service/Check Charges	15.00	15.00
930.3.3 · Donations	25.00	25.00
930.3.4 · Dues and Subscriptions	125.00	125.00
930.3.5 · Employee Drug Testing Service	75.00	75.00
930.3.7 · Postage/Fedex	319.76	319.76
930.3.9 · Supplies	71.33	71.33
930.4 · Telephone Expense	2,148.86	2,148.86
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	123.06	123.06
930.5.3 · Travel	100.00	100.00
930.5 · Travel & Entertainment - Other	1,631.40	1,631.40
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>1,854.46</b>	<b>1,854.46</b>
930.6 · Utilities	420.22	420.22
930.6.1 · Termite Control - Office	79.20	79.20
<b>Total 930.3 · Misc General Exp</b>	<b>5,133.83</b>	<b>5,133.83</b>
933 · Transportation Expenses (933)		
933.1 · Automobile Expenses	1,477.79	1,477.79
933.4 · Auto Repair & Maint	280.79	280.79
933.5 · Insurance/Title/Fees	1,420.59	1,420.59
<b>Total 933 · Transportation Expenses (933)</b>	<b>3,179.17</b>	<b>3,179.17</b>
935 · Maint of General Plant (935)		
935.1 · Equipment Repairs	178.44	178.44
935.2 · Ditchwitch	38.44	38.44
935.4 · Storage Rental - Equipment	1,000.00	1,000.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>1,216.88</b>	<b>1,216.88</b>
920 · Admin & Gen Expense - Other	0.00	0.00
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>102,787.41</b>	<b>102,787.41</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>104,667.94</b>	<b>104,667.94</b>
403 · Depr & Depl Expense	55,674.00	55,674.00
408 · Taxes Other than Income		
408.1 · Payroll Taxes	4,790.05	4,790.05
408.2 · Property Taxes	641.07	641.07
<b>Total 408 · Taxes Other than Income</b>	<b>5,431.12</b>	<b>5,431.12</b>

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 1999

	<u>Jan - Mar 99</u>	<u>Jan - Mar 99</u>
999.1 · Miscellaneous	714.21	714.21
<b>Total Expense</b>	<b>166,487.27</b>	<b>166,487.27</b>
<b>Net Ordinary Income</b>	<b>-66,169.20</b>	<b>-66,169.20</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418 · Interest - FUNB	1,055.04	1,055.04
<b>Total 415-418 · Nonutility Income</b>	<b>1,055.04</b>	<b>1,055.04</b>
421 · Misc Nonoperating Income		
421.1 · Sales Tax Discounts Taken	15.11	15.11
<b>Total 421 · Misc Nonoperating Income</b>	<b>15.11</b>	<b>15.11</b>
<b>Total Other Income</b>	<b>1,070.15</b>	<b>1,070.15</b>
<b>Other Expense</b>		
431 · Other Interest Expense		
431.1 · Interest - LOC	6,938.80	6,938.80
431.2 · Interest expense - customer dep	26.89	26.89
431.3 · Interest - Vehicle Loans	1,284.20	1,284.20
431.4 · Interest-Note Payable	10,625.00	10,625.00
<b>Total 431 · Other Interest Expense</b>	<b>18,874.89</b>	<b>18,874.89</b>
<b>Total Other Expense</b>	<b>18,874.89</b>	<b>18,874.89</b>
<b>Net Other Income</b>	<b>-17,804.74</b>	<b>-17,804.74</b>
<b>Net Income</b>	<b>-83,973.94</b>	<b>-83,973.94</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 1999

	Apr - Jun 99	Jan - Jun 99
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	5,133.00	32,331.43
480.2 · Commercial Sales	6,681.42	17,721.53
480.3 · Industrial Sales	925.86	16,363.74
480.4 · Public Sales	8,931.44	60,836.22
<b>Total 480 · Ultimate Consumers</b>	<b>21,671.72</b>	<b>127,252.92</b>
483 · Sales for Resale	0.00	359.04
<b>Total 4800 · Operating Revenues</b>	<b>21,671.72</b>	<b>127,611.96</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		526.68
488.2 · Late Charges Collected	392.54	
488.3 · Hook up fees collected	3,681.34	8,367.02
<b>Total 488.1 · Misc Service Revenues</b>	<b>4,073.88</b>	<b>8,893.70</b>
495 · Other Gas Revenues-Transportati	14,810.24	26,224.45
<b>Total 484 · Other Operating Revenue</b>	<b>18,884.12</b>	<b>35,118.15</b>
<b>Total Income</b>	<b>40,555.84</b>	<b>162,730.11</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	-1,291.41	8,159.92
730.4 · Compressor Rent	9,624.26	20,224.25
730.6 · Compressor Maintenance, Supplie	6,443.14	6,443.14
730.5 · Severance Tax	553.52	2,358.40
<b>Total 730 · Cost of Goods Sold</b>	<b>15,329.51</b>	<b>37,185.71</b>
<b>Total COGS</b>	<b>15,329.51</b>	<b>37,185.71</b>
<b>Gross Profit</b>	<b>25,226.33</b>	<b>125,544.40</b>
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	264.71	328.94
<b>Total 900.1 · Customer Accounts Expense</b>	<b>264.71</b>	<b>328.94</b>
907 · Cust Svc & Info Expenses		
907.1 · Customer Repair/Maintenance		
907.2 · Labor	50.00	425.00
907.3 · Materials	1,584.38	2,848.20
907.5 · Mileage	0.00	77.00
907.6 · Other	0.00	114.16
907.1 · Customer Repair/Maintenance - Other	0.00	12.87
<b>Total 907.1 · Customer Repair/Maintenance</b>	<b>1,634.38</b>	<b>3,477.23</b>
908 · New Customer Hookup Expense		
908.2 · Materials		
908.2.1 · El's etc	0.90	0.90
908.2 · Materials - Other	0.00	-26.55
<b>Total 908.2 · Materials</b>	<b>0.90</b>	<b>-25.65</b>
908.4 · Other Expense - New Customers	66.35	66.35
<b>Total 908 · New Customer Hookup Expense</b>	<b>67.25</b>	<b>40.70</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>1,701.63</b>	<b>3,517.93</b>
920 · Admin & Gen Expense		
936 · Capitalized Expenses	-23,918.64	-52,145.18
920.1 · Admin & General Salaries (920)		
920.3 · Commissions Paid	0.00	1,750.00
6560 · Payroll Expenses	41,904.98	85,769.72
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<b>41,904.98</b>	<b>87,519.72</b>
921 · Office Supplies/Expense (921)		
921.1 · Office Supplies	927.88	977.06
921.2 · Office Cleaning	210.00	358.68
921 · Office Supplies/Expense (921) - Other	231.15	721.36
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>1,369.03</b>	<b>2,057.10</b>



**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 1999

	Apr - Jun 99	Jan - Jun 99
<b>923 · Outside Services (923)</b>		
923.1 · Engineering Services	1,950.00	1,950.00
923.2 · Accounting Fees	30,726.47	62,791.26
923.5 · Other-Labor	121.85	121.85
923.6 · Legal Fee & Professional Fees	358.00	22,847.85
<b>Total 923 · Outside Services (923)</b>	<b>33,156.32</b>	<b>87,710.96</b>
<b>925 · Injuries &amp; Damages</b>		
925.2 · Insurance - Liability	2,907.21	5,431.49
925.4 · Insurance - Workmans' Comp	1,905.06	9,703.36
925.5 · Insurance-Medical	2,068.76	5,492.70
<b>Total 925 · Injuries &amp; Damages</b>	<b>6,881.03</b>	<b>20,627.55</b>
<b>926 · Employee Pension/Benefit (926)</b>	<b>795.91</b>	<b>1,626.01</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.2 · Licenses	42.00	42.00
928 · Regulatory Comm Expenses (928) - Other	0.00	6,000.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>42.00</b>	<b>6,042.00</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	48.75	98.75
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>48.75</b>	<b>98.75</b>
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	2,263.64	2,263.64
930.4.1 · Employee Annual Meeting	1,543.69	1,543.69
930.3.1 · Bank Service/Check Charges	100.00	115.00
930.3.3 · Donations	0.00	25.00
930.3.4 · Dues and Subscriptions	171.99	296.99
930.3.5 · Employee Drug Testing Service	150.00	225.00
930.3.7 · Postage/Fedex	626.43	946.19
930.3.8 · Repairs & Maintenance	304.21	304.21
930.3.9 · Supplies	0.00	71.33
930.4 · Telephone Expense	2,240.82	4,389.68
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	491.72	614.78
930.5.3 · Travel	0.00	100.00
930.5 · Travel & Entertainment - Other	8,339.18	9,970.58
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>8,830.90</b>	<b>10,685.36</b>
930.6 · Utilities	291.96	712.18
930.6.1 · Termite Control - Office	118.80	198.00
930.3 · Misc General Exp - Other	150.00	150.00
<b>Total 930.3 · Misc General Exp</b>	<b>16,792.44</b>	<b>21,926.27</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	1,917.13	3,394.92
933.3 · Auto Taxes	393.50	393.50
933.4 · Auto Repair & Maint	1,057.12	1,337.91
933.5 · Insurance/Title/Fees	1,312.40	2,732.99
<b>Total 933 · Transportation Expenses (933)</b>	<b>4,680.15</b>	<b>7,859.32</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	232.25	410.69
935.2 · Ditchwitch	1,097.77	1,136.21
935.4 · Storage Rental - Equipment	1,500.00	2,500.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>2,830.02</b>	<b>4,046.90</b>
<b>920 · Admin &amp; Gen Expense - Other</b>	<b>0.00</b>	<b>0.00</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>84,581.99</b>	<b>187,369.40</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>86,548.33</b>	<b>191,216.27</b>
<b>403 · Depr &amp; Depl Expense</b>	<b>55,674.00</b>	<b>111,348.00</b>
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	4,027.25	8,817.30
408.2 · Property Taxes	0.00	641.07
408 · Taxes Other than Income - Other	115.00	115.00
<b>Total 408 · Taxes Other than Income</b>	<b>4,142.25</b>	<b>9,573.37</b>
<b>999.1 · Miscellaneous</b>	<b>0.00</b>	<b>714.21</b>
<b>999.2 · Other</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Expense</b>	<b>146,364.58</b>	<b>312,851.85</b>
<b>Net Ordinary Income</b>	<b>-121,138.25</b>	<b>-187,307.45</b>

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Accrual Basis

Citipower, L. L. C.  
**Profit & Loss**  
April through June 1999

	Apr - Jun 99	Jan - Jun 99
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418 · Interest - FUNB	999.87	2,054.91
<b>Total 415-418 · Nonutility Income</b>	999.87	2,054.91
421 · Misc Nonoperating Income		
421.1 · Sales Tax Discounts Taken	0.00	15.11
<b>Total 421 · Misc Nonoperating Income</b>	0.00	15.11
<b>Total Other Income</b>	999.87	2,070.02
<b>Other Expense</b>		
431 · Other Interest Expense		
431.1 · Interest - LOC	1,892.87	8,831.67
431.2 · Interest expense - customer dep	16.00	42.89
431.3 · Interest - Vehicle Loans	1,081.38	2,365.58
431.4 · Interest-Note Payable	10,566.79	21,191.79
<b>Total 431 · Other Interest Expense</b>	13,557.04	32,431.93
<b>Total Other Expense</b>	13,557.04	32,431.93
<b>Net Other Income</b>	-12,557.17	-30,361.91
<b>Net Income</b>	<b>-133,695.42</b>	<b>-217,669.36</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 1999

	Jul - Sep 99	Jan - Sep 99
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	2,696.96	35,028.39
480.2 · Commercial Sales	4,030.69	21,752.22
480.3 · Industrial Sales	31.38	16,395.12
480.4 · Public Sales	4,992.56	65,828.78
<b>Total 480 · Ultimate Consumers</b>	<b>11,751.59</b>	<b>139,004.51</b>
483 · Sales for Resale	0.00	359.04
<b>Total 4800 · Operating Revenues</b>	<b>11,751.59</b>	<b>139,363.55</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	49.88	576.56
488.3 · Hook up fees collected	3,260.07	11,627.09
<b>Total 488.1 · Misc Service Revenues</b>	<b>3,309.95</b>	<b>12,203.65</b>
495 · Other Gas Revenues-Transportati	16,095.91	42,320.36
<b>Total 484 · Other Operating Revenue</b>	<b>19,405.86</b>	<b>54,524.01</b>
<b>Total Income</b>	<b>31,157.45</b>	<b>193,887.56</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	6,516.21	14,676.13
730.4 · Compressor Rent	9,222.00	29,446.25
730.6 · Compressor Maintenance, Supplie	7,111.14	13,554.28
730.5 · Severance Tax	-1,722.59	635.81
<b>Total 730 · Cost of Goods Sold</b>	<b>21,126.76</b>	<b>58,312.47</b>
<b>Total COGS</b>	<b>21,126.76</b>	<b>58,312.47</b>
<b>Gross Profit</b>	<b>10,030.69</b>	<b>135,575.09</b>
<b>Expense</b>		
1001.00 · Josh Hill Project		
1001.05 · Valves, tees, fittings	0.00	0.00
1001.99 · Miscellaneous Expense	0.00	0.00
1001.03 · 3" Pipe	0.00	0.00
1001.08 · Labor/Hauling	0.00	0.00
1001.02 · 2" Pipe	0.00	0.00
1001.00 · Josh Hill Project - Other	0.00	0.00
<b>Total 1001.00 · Josh Hill Project</b>	<b>0.00</b>	<b>0.00</b>
1002.00 · Bob Musgrove Road		
1002.99 · Miscellaneous	0.00	0.00
1002.01 · 1" Pipe	0.00	0.00
1002.05 · Valves, caps, couplings tees	0.00	0.00
1002.08 · Labor - Musgrove Road	0.00	0.00
1002.02 · 2" Main Musgrove Rd	0.00	0.00
<b>Total 1002.00 · Bob Musgrove Road</b>	<b>0.00</b>	<b>0.00</b>
1003.00 · Hayes Creek Project		
1003.08 · Labor/Hauling	0.00	0.00
1003.05 · Valves, tees	0.00	0.00
1003.04 · Pipe - 4"	0.00	0.00
1003.99 · Miscellaneous	0.00	0.00
1003.02 · 2" Hayes Creek	0.00	0.00
<b>Total 1003.00 · Hayes Creek Project</b>	<b>0.00</b>	<b>0.00</b>
1004.00 · Hatfield Subdivision		
1004.99 · Miscellaneous	0.00	0.00
1004.01 · Pipe, 1"	0.00	0.00
1004.03 · Pipe 3"	0.00	0.00
1004.05 · Labor/	0.00	0.00
<b>Total 1004.00 · Hatfield Subdivision</b>	<b>0.00</b>	<b>0.00</b>
900 · Tot Gas Oper & Maint Exp		
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	0.00	328.94
<b>Total 900.1 · Customer Accounts Expense</b>	<b>0.00</b>	<b>328.94</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 1999

	Jul - Sep 99	Jan - Sep 99
<b>907 · Cust Svc &amp; Info Expenses</b>		
<b>907.1 · Customer Repair/Maintenance</b>		
907.2 · Labor	840.00	1,265.00
907.3 · Materials	433.97	3,282.17
907.5 · Mileage	0.00	77.00
907.6 · Other	98.90	213.06
907.1 · Customer Repair/Maintenance - Other	0.00	12.87
<b>Total 907.1 · Customer Repair/Maintenance</b>	<u>1,372.87</u>	<u>4,850.10</u>
<b>908 · New Customer Hookup Expense</b>		
908.1 · Labor	75.00	75.00
<b>908.2 · Materials</b>		
908.2.1 · EI's etc	96.45	97.35
908.2.2 · Meters	6.06	6.06
908.2.3 · Pipe	551.14	551.14
908.2 · Materials - Other	151.58	125.03
<b>Total 908.2 · Materials</b>	<u>805.23</u>	<u>779.58</u>
908.4 · Other Expense - New Customers	170.23	236.58
<b>Total 908 · New Customer Hookup Expense</b>	<u>1,050.46</u>	<u>1,091.16</u>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<u>2,423.33</u>	<u>5,941.26</u>
<b>920 · Admin &amp; Gen Expense</b>		
920.5 · Citipower Offering Expense	2,729.99	2,729.99
936 · Capitalized Expenses	-31,945.28	-84,090.46
<b>920.1 · Admin &amp; General Salaries (920)</b>		
920.3 · Commissions Paid	0.00	1,750.00
6560 · Payroll Expenses	56,516.83	142,286.55
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<u>56,516.83</u>	<u>144,036.55</u>
<b>921 · Office Supplies/Expense (921)</b>		
921.1 · Office Supplies	1,549.89	2,526.95
921.2 · Office Cleaning	215.61	574.29
921 · Office Supplies/Expense (921) - Other	230.11	951.47
<b>Total 921 · Office Supplies/Expense (921)</b>	<u>1,995.61</u>	<u>4,052.71</u>
<b>923 · Outside Services (923)</b>		
923.1 · Engineering Services	2,000.00	3,950.00
923.2 · Accounting Fees	271.15	63,062.41
923.3 · Contract Labor - Office	235.00	235.00
923.5 · Other-Labor	696.50	818.35
923.6 · Legal Fee & Professional Fees	0.00	22,847.85
<b>Total 923 · Outside Services (923)</b>	<u>3,202.65</u>	<u>90,913.61</u>
<b>925 · Injuries &amp; Damages</b>		
925.2 · Insurance - Liability	1,322.98	6,754.47
925.3 · Insurance - Life	273.16	273.16
925.4 · Insurance - Workmans' Comp	2,626.45	12,329.81
925.5 · Insurance-Medical	2,478.13	7,970.83
<b>Total 925 · Injuries &amp; Damages</b>	<u>6,700.72</u>	<u>27,328.27</u>
926 · Employee Pension/Benefit (926)	962.38	2,588.39
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	347.57	347.57
928.2 · Licenses	0.00	42.00
928 · Regulatory Comm Expenses (928) - Other	3,521.89	9,521.89
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<u>3,869.46</u>	<u>9,911.46</u>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising		
930.1.1 · Marketing Exp	65.00	65.00
930.1 · Advertising - Other	379.50	478.25
<b>Total 930.1 · Advertising</b>	<u>444.50</u>	<u>543.25</u>
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<u>444.50</u>	<u>543.25</u>

**Citipower, L. L. C.**  
**Profit & Loss**  
 July through September 1999

	Jul - Sep 99	Jan - Sep 99
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	8,167.28	10,430.92
930.4.1 · Employee Annual Meeting	0.00	1,543.69
930.3.1 · Bank Service/Check Charges	235.00	350.00
930.3.2 · Computer Repair & Maint	574.00	574.00
930.3.3 · Donations	0.00	25.00
930.3.4 · Dues and Subscriptions	171.99	468.98
930.3.5 · Employee Drug Testing Service	225.00	450.00
930.3.7 · Postage/Fedex	971.93	1,918.12
930.3.8 · Repairs & Maintenance	727.60	1,031.81
930.3.9 · Supplies	107.95	179.28
930.4 · Telephone Expense	2,752.17	7,141.85
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	169.53	784.31
930.5.3 · Travel	54.39	154.39
930.5 · Travel & Entertainment - Other	3,913.90	13,884.48
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>4,137.82</b>	<b>14,823.18</b>
930.6 · Utilities	469.34	1,181.52
930.6.1 · Termite Control - Office	127.60	325.60
930.3 · Misc General Exp - Other	88.55	238.55
<b>Total 930.3 · Misc General Exp</b>	<b>18,756.23</b>	<b>40,682.50</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	1,208.77	4,603.69
933.3 · Auto Taxes	165.91	559.41
933.4 · Auto Repair & Maint	1,304.28	2,642.19
933.5 · Insurance/Title/Fees	563.74	3,296.73
<b>Total 933 · Transportation Expenses (933)</b>	<b>3,242.70</b>	<b>11,102.02</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	534.34	945.03
935.2 · Ditchwitch	162.26	1,298.47
935.3 · Equipment Other	41.25	41.25
935.4 · Storage Rental - Equipment	2,000.00	4,500.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>2,737.85</b>	<b>6,784.75</b>
<b>920 · Admin &amp; Gen Expense - Other</b>	<b>0.00</b>	<b>0.00</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>69,213.64</b>	<b>256,583.04</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>71,636.97</b>	<b>262,853.24</b>
<b>403 · Depr &amp; Dep'l Expense</b>	<b>55,674.00</b>	<b>167,022.00</b>
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	4,747.29	13,564.59
408.2 · Property Taxes	0.00	641.07
408.3 · Taxes - Severance	-0.03	-0.03
408 · Taxes Other than Income - Other	0.00	115.00
<b>Total 408 · Taxes Other than Income</b>	<b>4,747.26</b>	<b>14,320.63</b>
999.1 · Miscellaneous	-1,192.57	-478.36
999.2 · Other	0.00	0.00
<b>Total Expense</b>	<b>130,865.66</b>	<b>443,717.51</b>
<b>Net Ordinary Income</b>	<b>-120,834.97</b>	<b>-308,142.42</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
<b>415-418 · Nonutility Income</b>		
418 · Interest - FUNB	357.59	2,412.50
<b>Total 415-418 · Nonutility Income</b>	<b>357.59</b>	<b>2,412.50</b>
<b>421 · Misc Nonoperating Income</b>		
421.1 · Sales Tax Discounts Taken	2.12	17.23
<b>Total 421 · Misc Nonoperating Income</b>	<b>2.12</b>	<b>17.23</b>
<b>Total Other Income</b>	<b>359.71</b>	<b>2,429.73</b>

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 1999

	<u>Jul - Sep 99</u>	<u>Jan - Sep 99</u>
<b>Other Expense</b>		
431 - Other Interest Expense		
431.5 - Interest - LBU-LLC	1,182.00	1,182.00
431.1 - Interest - LOC	9,595.33	18,427.00
431.2 - Interest expense - customer dep	0.00	42.89
431.3 - Interest - Vehicle Loans	1,060.37	3,425.95
431.4 - Interest-Note Payable	10,712.33	31,904.12
<b>Total 431 - Other Interest Expense</b>	<u>22,550.03</u>	<u>54,981.96</u>
<b>Total Other Expense</b>	<u>22,550.03</u>	<u>54,981.96</u>
<b>Net Other Income</b>	<u>-22,190.32</u>	<u>-52,552.23</u>
<b>Net Income</b>	<u><u>-143,025.29</u></u>	<u><u>-360,694.65</u></u>

**Citipower, L. L. C.**  
**Profit & Loss**  
 October through December 1999

	Oct - Dec 99	Jan - Dec 99
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	17,956.17	52,984.56
480.2 · Commercial Sales	7,078.95	28,831.17
480.3 · Industrial Sales	23,579.74	39,974.86
480.4 · Public Sales	34,152.56	99,981.34
<b>Total 480 · Ultimate Consumers</b>	<b>82,767.42</b>	<b>221,771.93</b>
483 · Sales for Resale	17.23	376.27
<b>Total 4800 · Operating Revenues</b>	<b>82,784.65</b>	<b>222,148.20</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	0.00	576.56
488.3 · Hook up fees collected	12,076.68	23,703.77
<b>Total 488.1 · Misc Service Revenues</b>	<b>12,076.68</b>	<b>24,280.33</b>
495 · Other Gas Revenues-Transportati	37,936.22	80,256.58
<b>Total 484 · Other Operating Revenue</b>	<b>50,012.90</b>	<b>104,536.91</b>
<b>Total Income</b>	<b>132,797.55</b>	<b>326,685.11</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	39,793.00	54,469.13
730.4 · Compressor Rent	9,222.00	38,668.25
730.6 · Compressor Maintenance, Supplie	3,737.06	17,291.34
730.5 · Severance Tax	-635.81	0.00
<b>Total 730 · Cost of Goods Sold</b>	<b>52,116.25</b>	<b>110,428.72</b>
<b>Total COGS</b>	<b>52,116.25</b>	<b>110,428.72</b>
<b>Gross Profit</b>	<b>80,681.30</b>	<b>216,256.39</b>
<b>Expense</b>		
1001.00 · Josh Hill Project		
1001.05 · Valves, tees, fittings	0.00	0.00
1001.99 · Miscellaneous Expense	0.00	0.00
1001.03 · 3" Pipe	0.00	0.00
1001.08 · Labor/Hauling	0.00	0.00
1001.02 · 2" Pipe	0.00	0.00
1001.00 · Josh Hill Project - Other	0.00	0.00
<b>Total 1001.00 · Josh Hill Project</b>	<b>0.00</b>	<b>0.00</b>
1002.00 · Bob Musgrove Road		
1002.99 · Miscellaneous	0.00	0.00
1002.01 · 1" Pipe	0.00	0.00
1002.05 · Valves, caps, couplings tees	0.00	0.00
1002.08 · Labor - Musgrove Road	0.00	0.00
1002.02 · 2" Main Musgrove Rd	0.00	0.00
<b>Total 1002.00 · Bob Musgrove Road</b>	<b>0.00</b>	<b>0.00</b>
1003.00 · Hayes Creek Project		
1003.08 · Labor/Hauling	0.00	0.00
1003.05 · Valves, tees	0.00	0.00
1003.04 · Pipe - 4"	0.00	0.00
1003.99 · Miscellaneous	0.00	0.00
1003.02 · 2" Hayes Creek	0.00	0.00
<b>Total 1003.00 · Hayes Creek Project</b>	<b>0.00</b>	<b>0.00</b>
1004.00 · Hatfield Subdivision		
1004.99 · Miscellaneous	0.00	0.00
1004.01 · Pipe, 1"	0.00	0.00
1004.03 · Pipe 3"	0.00	0.00
1004.05 · Labor/	0.00	0.00
<b>Total 1004.00 · Hatfield Subdivision</b>	<b>0.00</b>	<b>0.00</b>
900 · Tot Gas Oper & Maint Exp		
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	1.72	330.66
904 · Uncollectible Accounts	665.77	665.77
<b>Total 900.1 · Customer Accounts Expense</b>	<b>667.49</b>	<b>996.43</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 1999

	Oct - Dec 99	Jan - Dec 99
<b>907 · Cust Svc &amp; Info Expenses</b>		
<b>907.1 · Customer Repair/Maintenance</b>		
907.2 · Labor	-1,265.00	0.00
907.3 · Materials	-3,282.17	0.00
907.5 · Mileage	-77.00	0.00
907.6 · Other	-213.06	0.00
907.1 · Customer Repair/Maintenance - Other	-12.87	0.00
<b>Total 907.1 · Customer Repair/Maintenance</b>	<b>-4,850.10</b>	<b>0.00</b>
<b>908 · New Customer Hookup Expense</b>		
908.1 · Labor	-75.00	0.00
908.2 · Materials		
908.2.1 · EI's etc	-97.35	0.00
908.2.2 · Meters	-6.06	0.00
908.2.3 · Pipe	-551.14	0.00
908.2 · Materials - Other	-125.03	0.00
<b>Total 908.2 · Materials</b>	<b>-779.58</b>	<b>0.00</b>
908.4 · Other Expense - New Customers	-236.58	0.00
<b>Total 908 · New Customer Hookup Expense</b>	<b>-1,091.16</b>	<b>0.00</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>-5,941.26</b>	<b>0.00</b>
<b>920 · Admin &amp; Gen Expense</b>		
920.5 · Citipower Offering Expense	0.00	2,729.99
936 · Capitalized Expenses	-112,978.54	-197,069.00
<b>920.1 · Admin &amp; General Salaries (920)</b>		
920.3 · Commissions Paid	0.00	1,750.00
6560 · Payroll Expenses	47,049.97	189,336.52
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<b>47,049.97</b>	<b>191,086.52</b>
920.4 · Management fees		
920.4.1 · Compensation Expense	0.00	0.00
920.4.2 · Consulting Expense	0.00	0.00
<b>Total 920.4 · Management fees</b>	<b>0.00</b>	<b>0.00</b>
<b>921 · Office Supplies/Expense (921)</b>		
921.1 · Office Supplies	247.06	2,774.01
921.2 · Office Cleaning	140.00	714.29
921 · Office Supplies/Expense (921) - Other	187.83	1,139.30
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>574.89</b>	<b>4,627.60</b>
<b>923 · Outside Services (923)</b>		
923.1 · Engineering Services	483.50	4,433.50
923.2 · Accounting Fees	2,292.65	65,355.06
923.3 · Contract Labor - Office	0.00	235.00
923.5 · Other-Labor	0.00	818.35
923.6 · Legal Fee & Professional Fees	839.27	23,687.12
<b>Total 923 · Outside Services (923)</b>	<b>3,615.42</b>	<b>94,529.03</b>
<b>925 · Injuries &amp; Damages</b>		
925.1 · Property Insurance	454.72	454.72
925.2 · Insurance - Liability	4,474.00	11,228.47
925.3 · Insurance - Life	273.32	546.48
925.4 · Insurance - Workmans' Comp	0.00	12,329.81
925.5 · Insurance-Medical	2,448.99	10,419.82
<b>Total 925 · Injuries &amp; Damages</b>	<b>7,651.03</b>	<b>34,979.30</b>
926 · Employee Pension/Benefit (926)	-1,123.32	1,465.07
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	0.00	347.57
928.2 · Licenses	0.00	42.00
928 · Regulatory Comm Expenses (928) - Other	0.00	9,521.89
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>0.00</b>	<b>9,911.46</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising		
930.1.1 · Marketing Exp	3,109.40	3,174.40
930.1 · Advertising - Other	-478.25	0.00
<b>Total 930.1 · Advertising</b>	<b>2,631.15</b>	<b>3,174.40</b>
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>2,631.15</b>	<b>3,174.40</b>



**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 1999

	Oct - Dec 99	Jan - Dec 99
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	960.69	11,391.61
930.4.1 · Employee Annual Meeting	0.00	1,543.69
930.3.1 · Bank Service/Check Charges	0.00	350.00
930.3.2 · Computer Repair & Maint	595.00	1,169.00
930.3.3 · Donations	0.00	25.00
930.3.4 · Dues and Subscriptions	191.99	660.97
930.3.5 · Employee Drug Testing Service	125.00	575.00
930.3.7 · Postage/Fedex	1,419.70	3,337.82
930.3.8 · Repairs & Maintenance	96.80	1,128.61
930.3.9 · Supplies	191.96	371.24
930.4 · Telephone Expense	2,529.39	9,671.24
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	66.33	850.64
930.5.3 · Travel	0.00	154.39
930.5 · Travel & Entertainment - Other	3,948.94	17,833.42
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>4,015.27</b>	<b>18,838.45</b>
930.6 · Utilities	455.67	1,637.19
930.6.1 · Termite Control - Office	0.00	325.60
930.3 · Misc General Exp - Other	0.00	238.55
<b>Total 930.3 · Misc General Exp</b>	<b>10,581.47</b>	<b>51,263.97</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	2,775.45	7,379.14
933.3 · Auto Taxes	255.36	814.77
933.4 · Auto Repair & Maint	242.57	2,884.76
933.5 · Insurance/Title/Fees	1,181.63	4,478.36
<b>Total 933 · Transportation Expenses (933)</b>	<b>4,455.01</b>	<b>15,557.03</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	711.12	1,656.15
935.2 · Ditchwitch	259.28	1,557.75
935.3 · Equipment Other	208.89	250.14
935.4 · Storage Rental - Equipment	500.00	5,000.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>1,679.29</b>	<b>8,464.04</b>
920 · Admin & Gen Expense - Other	0.00	0.00
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>-35,863.63</b>	<b>220,719.41</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>-41,137.40</b>	<b>221,715.84</b>
403 · Depr & Depl Expense	-26,691.00	140,331.00
404 · Amortization Expense	15,132.00	15,132.00
408 · Taxes Other than Income		
408.1 · Payroll Taxes	3,922.21	17,486.80
408.2 · Property Taxes	622.99	1,264.06
408.3 · Taxes - Severance	0.03	0.00
408 · Taxes Other than Income - Other	1,843.92	1,958.92
<b>Total 408 · Taxes Other than Income</b>	<b>6,389.15</b>	<b>20,709.78</b>
999.1 · Miscellaneous	3,552.60	3,074.24
999.2 · Other	0.00	0.00
<b>Total Expense</b>	<b>-42,754.65</b>	<b>400,962.86</b>
<b>Net Ordinary Income</b>	<b>123,435.95</b>	<b>-184,706.47</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418 · Interest - FUNB	595.67	3,008.17
<b>Total 415-418 · Nonutility Income</b>	<b>595.67</b>	<b>3,008.17</b>
421 · Misc Nonoperating Income		
421.1 · Sales Tax Discounts Taken	-17.23	0.00
<b>Total 421 · Misc Nonoperating Income</b>	<b>-17.23</b>	<b>0.00</b>
<b>Total Other Income</b>	<b>578.44</b>	<b>3,008.17</b>
<b>Other Expense</b>		
427 · Interest-Long Term Debt	0.00	0.00

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**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 1999

	Oct - Dec 99	Jan - Dec 99
<b>431 · Other Interest Expense</b>		
431.5 · Interest - LBU-LLC	2,364.00	3,546.00
431.1 · Interest - LOC	0.00	18,427.00
431.2 · Interest expense - customer dep	0.00	42.89
431.3 · Interest - Vehicle Loans	1,080.89	4,506.84
431.4 · Interest-Note Payable	22,127.60	54,031.72
<b>Total 431 · Other Interest Expense</b>	<b>25,572.49</b>	<b>80,554.45</b>
<b>Total Other Expense</b>	<b>25,572.49</b>	<b>80,554.45</b>
<b>Net Other Income</b>	<b>-24,994.05</b>	<b>-77,546.28</b>
<b>Net Income</b>	<b>98,441.90</b>	<b>-262,252.75</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2000

	Jan - Mar 00	Jan - Mar 00
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	39,817.42	39,817.42
480.2 · Commercial Sales	14,039.24	14,039.24
480.3 · Industrial Sales	16,198.87	16,198.87
480.4 · Public Sales	68,009.06	68,009.06
<b>Total 480 · Ultimate Consumers</b>	<b>138,064.59</b>	<b>138,064.59</b>
<b>Total 4800 · Operating Revenues</b>	<b>138,064.59</b>	<b>138,064.59</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	592.09	592.09
488.3 · Hook up fees collected	2,000.00	2,000.00
<b>Total 488.1 · Misc Service Revenues</b>	<b>2,592.09</b>	<b>2,592.09</b>
495 · Other Gas Revenues-Transportati	23,694.00	23,694.00
<b>Total 484 · Other Operating Revenue</b>	<b>26,286.09</b>	<b>26,286.09</b>
<b>Total Income</b>	<b>164,350.68</b>	<b>164,350.68</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	52,135.00	52,135.00
730.4 · Compressor Rent	9,222.00	9,222.00
730.6 · Compressor Maintenance, Supplie	3,272.94	3,272.94
<b>Total 730 · Cost of Goods Sold</b>	<b>64,629.94</b>	<b>64,629.94</b>
<b>Total COGS</b>	<b>64,629.94</b>	<b>64,629.94</b>
<b>Gross Profit</b>	<b>99,720.74</b>	<b>99,720.74</b>
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
907 · Cust Svc & Info Expenses		
908 · New Customer Hookup Expense		
908.1 · Labor	8,732.78	8,732.78
908.2 · Materials		
908.2.2 · Meters	3,048.85	3,048.85
908.2 · Materials - Other	11,984.62	11,984.62
<b>Total 908.2 · Materials</b>	<b>15,033.47</b>	<b>15,033.47</b>
908.4 · Other Expense - New Customers	2,520.00	2,520.00
<b>Total 908 · New Customer Hookup Expense</b>	<b>26,286.25</b>	<b>26,286.25</b>
907 · Cust Svc & Info Expenses - Other	540.23	540.23
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>26,826.48</b>	<b>26,826.48</b>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	7,490.00	7,490.00
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	28,691.00	28,691.00
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<b>28,691.00</b>	<b>28,691.00</b>
921 · Office Supplies/Expense (921)		
921.4 · Telephone	1,788.02	1,788.02
921.3.7 · Postage/FedEx	1,457.63	1,457.63
921.1 · Office Supplies	1,416.23	1,416.23
921.2 · Office Cleaning	105.00	105.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>4,766.88</b>	<b>4,766.88</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2000

	Jan - Mar 00	Jan - Mar 00
<b>923 · Outside Services (923)</b>		
923.2 · Accounting Fees	263.90	263.90
923.5 · Other-Labor	1,000.00	1,000.00
<b>Total 923 · Outside Services (923)</b>	<u>1,263.90</u>	<u>1,263.90</u>
<b>925 · Injuries &amp; Damages</b>		
925.1 · Property Insurance	602.23	602.23
925.2 · Insurance - Liability	318.81	318.81
925.4 · Insurance - Workmans' Comp	904.49	904.49
<b>Total 925 · Injuries &amp; Damages</b>	<u>1,825.53</u>	<u>1,825.53</u>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	1,822.78	1,822.78
<b>Total 926 · Employee Pension/Benefit (926)</b>	<u>1,822.78</u>	<u>1,822.78</u>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.2 · Licenses	130.00	130.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<u>130.00</u>	<u>130.00</u>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	25.00	25.00
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<u>25.00</u>	<u>25.00</u>
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	1,135.27	1,135.27
930.3.4 · Dues and Subscriptions	125.00	125.00
930.3.7 · Postage/Fedex	0.00	0.00
930.3.8 · Repairs & Maintenance	60.91	60.91
930.3.9 · Supplies	461.77	461.77
930.4 · Telephone Expense	0.00	0.00
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	72.73	72.73
930.5.3 · Travel	1,902.29	1,902.29
930.5 · Travel & Entertainment - Other	4,544.03	4,544.03
<b>Total 930.5 · Travel &amp; Entertainment</b>	<u>6,519.05</u>	<u>6,519.05</u>
930.6 · Utilities	747.49	747.49
930.6.1 · Termite Control - Office	88.00	88.00
<b>Total 930.3 · Misc General Exp</b>	<u>9,137.49</u>	<u>9,137.49</u>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	2,220.03	2,220.03
933.3 · Auto Taxes	396.47	396.47
933.4 · Auto Repair & Maint	573.03	573.03
933.5 · Insurance/Title/Fees	487.03	487.03
<b>Total 933 · Transportation Expenses (933)</b>	<u>3,676.56</u>	<u>3,676.56</u>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	3,366.62	3,366.62
935.4 · Storage Rental - Equipment	0.00	0.00
<b>Total 935 · Maint of General Plant (935)</b>	<u>3,366.62</u>	<u>3,366.62</u>
<b>Total 920 · Admin &amp; Gen Expense</b>	<u>62,195.76</u>	<u>62,195.76</u>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	89,022.24	89,022.24
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	3,022.22	3,022.22
<b>Total 408 · Taxes Other than Income</b>	<u>3,022.22</u>	<u>3,022.22</u>
999.1 · Miscellaneous	-4,215.01	-4,215.01
<b>Total Expense</b>	<u>87,829.45</u>	<u>87,829.45</u>
<b>Net Ordinary Income</b>	11,891.29	11,891.29

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2000

	Jan - Mar 00	Jan - Mar 00
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418 · Interest - FUNB	958.37	958.37
<b>Total 415-418 · Nonutility Income</b>	958.37	958.37
<b>Total Other Income</b>	958.37	958.37
<b>Other Expense</b>		
427 · Interest-Long Term Debt	0.00	0.00
<b>431 · Other Interest Expense</b>		
431.2 · Interest expense - customer dep	141.00	141.00
431.3 · Interest - Vehicle Loans	238.49	238.49
431.4 · Interest-Note Payable	28,122.31	28,122.31
<b>Total 431 · Other Interest Expense</b>	28,501.80	28,501.80
<b>Total Other Expense</b>	28,501.80	28,501.80
<b>Net Other Income</b>	-27,543.43	-27,543.43
<b>Net Income</b>	<u>-15,652.14</u>	<u>-15,652.14</u>

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2000

	Apr - Jun 00	Jan - Jun 00
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	12,207.08	52,024.50
480.2 · Commercial Sales	10,087.69	24,126.93
480.3 · Industrial Sales	1,635.73	17,834.60
480.4 · Public Sales	9,805.43	77,814.49
<b>Total 480 · Ultimate Consumers</b>	<u>33,735.93</u>	<u>171,800.52</u>
<b>Total 4800 · Operating Revenues</b>	33,735.93	171,800.52
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		914.51
488.2 · Late Charges Collected	322.42	
488.3 · Hook up fees collected	1,850.00	3,850.00
<b>Total 488.1 · Misc Service Revenues</b>	<u>2,172.42</u>	<u>4,764.51</u>
495 · Other Gas Revenues-Transportati	23,842.00	47,536.00
<b>Total 484 · Other Operating Revenue</b>	<u>26,014.42</u>	<u>52,300.51</u>
<b>Total Income</b>	59,750.35	224,101.03
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	13,601.00	65,736.00
730.4 · Compressor Rent	9,222.00	18,444.00
730.6 · Compressor Maintenance, Supplie	3,035.66	6,308.60
<b>Total 730 · Cost of Goods Sold</b>	<u>25,858.66</u>	<u>90,488.60</u>
<b>Total COGS</b>	25,858.66	90,488.60
<b>Gross Profit</b>	33,891.69	133,612.43
<b>Expense</b>		
6999 · Uncategorized Expenses	0.00	0.00
382.1 · house meters	0.00	0.00
900 · Tot Gas Oper & Maint Exp		
907 · Cust Svc & Info Expenses		
908 · New Customer Hookup Expense		
908.1 · Labor	2,809.50	11,542.28
908.2 · Materials		
908.2.2 · Meters	0.00	3,048.85
908.2.3 · Pipe	1,375.00	1,375.00
908.2 · Materials - Other	2,293.81	14,278.43
<b>Total 908.2 · Materials</b>	<u>3,668.81</u>	<u>18,702.28</u>
908.4 · Other Expense - New Customers	0.00	2,520.00
<b>Total 908 · New Customer Hookup Expense</b>	<u>6,478.31</u>	<u>32,764.56</u>
907 · Cust Svc & Info Expenses - Other	0.00	540.23
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<u>6,478.31</u>	<u>33,304.79</u>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	28,571.62	36,061.62
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	32,424.50	61,115.50
<b>Total 920.1 · Admin &amp; General Salaries (9...</b>	<u>32,424.50</u>	<u>61,115.50</u>

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2000

	Apr - Jun 00	Jan - Jun 00
<b>921 · Office Supplies/Expense (921)</b>		
921.4 · Telephone	1,632.31	3,420.33
921.3.7 · Postage/FedEx	933.35	2,390.98
921.3.1 · Bank Service Charges	120.00	120.00
921.1 · Office Supplies	247.15	1,663.38
921.2 · Office Cleaning	140.00	245.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>3,072.81</b>	<b>7,839.69</b>
<b>923 · Outside Services (923)</b>		
923.2 · Accounting Fees	223.65	487.55
923.5 · Other-Labor	0.00	1,000.00
923.6 · Legal Fee & Professional Fees	2,882.45	2,882.45
<b>Total 923 · Outside Services (923)</b>	<b>3,106.10</b>	<b>4,370.00</b>
<b>925 · Injuries &amp; Damages</b>		
925.1 · Property Insurance	0.00	602.23
925.2 · Insurance - Liability	0.00	318.81
925.3 · Insurance - Life	164.66	164.66
925.4 · Insurance - Workmans' Comp	0.00	904.49
<b>Total 925 · Injuries &amp; Damages</b>	<b>164.66</b>	<b>1,990.19</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	2,002.72	3,825.50
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>2,002.72</b>	<b>3,825.50</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	350.57	350.57
928.2 · Licenses	399.00	529.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>749.57</b>	<b>879.57</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	216.25	241.25
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>216.25</b>	<b>241.25</b>
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	79.13	1,214.40
930.3.1 · Bank Service/Check Charges	19.03	19.03
930.3.3 · Donations	25.00	25.00
930.3.4 · Dues and Subscriptions	1,151.27	1,276.27
930.3.5 · Employee Drug Testing Service	120.00	120.00
930.3.7 · Postage/Fedex	0.00	0.00
930.3.8 · Repairs & Maintenance	15.05	75.96
930.3.9 · Supplies	0.00	461.77
930.4 · Telephone Expense	0.00	0.00
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	179.11	251.84
930.5.3 · Travel	733.30	2,635.59
930.5 · Travel & Entertainment - Other	1,578.66	6,122.69
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>2,491.07</b>	<b>9,010.12</b>
930.6 · Utilities	289.20	1,036.69
930.6.1 · Termite Control - Office	88.00	176.00
930.3 · Misc General Exp - Other	0.00	0.00
<b>Total 930.3 · Misc General Exp</b>	<b>4,277.75</b>	<b>13,415.24</b>
<b>931 · Rents (931)</b>	<b>1,400.00</b>	<b>1,400.00</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	2,305.12	4,525.15
933.3 · Auto Taxes	192.53	589.00
933.4 · Auto Repair & Maint	81.81	654.84
933.5 · Insurance/Title/Fees	996.73	1,483.76
<b>Total 933 · Transportation Expenses (933)</b>	<b>3,576.19</b>	<b>7,252.75</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2000

	Apr - Jun 00	Jan - Jun 00
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	0.00	3,366.62
935.4 · Storage Rental - Equipment	0.00	0.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>0.00</b>	<b>3,366.62</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>79,562.17</b>	<b>141,757.93</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>86,040.48</b>	<b>175,062.72</b>
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	2,837.56	5,859.78
408.2 · Property Taxes	3,883.68	3,883.68
<b>Total 408 · Taxes Other than Income</b>	<b>6,721.24</b>	<b>9,743.46</b>
999.1 · Miscellaneous	-130.10	-4,345.11
999.9 · Houston Office Expense	27,267.18	27,267.18
<b>Total Expense</b>	<b>119,898.80</b>	<b>207,728.25</b>
<b>Net Ordinary Income</b>	<b>-86,007.11</b>	<b>-74,115.82</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418 · Interest - FUNB	1,569.24	2,527.61
<b>Total 415-418 · Nonutility Income</b>	<b>1,569.24</b>	<b>2,527.61</b>
<b>Total Other Income</b>	<b>1,569.24</b>	<b>2,527.61</b>
<b>Other Expense</b>		
427 · Interest-Long Term Debt	0.00	0.00
431 · Other Interest Expense		
431.5 · Interest - LBU-LLC	1,182.00	1,182.00
431.2 · Interest expense - customer dep	33.00	174.00
431.3 · Interest - Vehicle Loans	-1,662.49	-1,424.00
431.4 · Interest-Note Payable	23,938.79	52,061.10
<b>Total 431 · Other Interest Expense</b>	<b>23,491.30</b>	<b>51,993.10</b>
<b>Total Other Expense</b>	<b>23,491.30</b>	<b>51,993.10</b>
<b>Net Other Income</b>	<b>-21,922.06</b>	<b>-49,465.49</b>
<b>Net Income</b>	<b>-107,929.17</b>	<b>-123,581.31</b>



**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2000

	Jul - Sep 00	Jan - Sep 00
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	6,493.07	58,517.57
480.2 · Commercial Sales	7,720.38	31,847.31
480.3 · Industrial Sales	52.88	17,887.48
480.4 · Public Sales	4,829.51	82,644.00
<b>Total 480 · Ultimate Consumers</b>	<u>19,095.84</u>	<u>190,896.36</u>
<b>Total 4800 · Operating Revenues</b>	19,095.84	190,896.36
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	395.27	1,309.78
488.3 · Hook up fees collected	2,821.00	6,671.00
<b>Total 488.1 · Misc Service Revenues</b>	<u>3,216.27</u>	<u>7,980.78</u>
495 · Other Gas Revenues-Transportati	21,197.00	68,733.00
<b>Total 484 · Other Operating Revenue</b>	<u>24,413.27</u>	<u>76,713.78</u>
<b>Total Income</b>	43,509.11	267,610.14
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	8,836.00	74,572.00
730.4 · Compressor Rent	9,222.00	27,666.00
730.6 · Compressor Maintenance, Supplie	11,281.56	17,590.16
<b>Total 730 · Cost of Goods Sold</b>	<u>29,339.56</u>	<u>119,828.16</u>
<b>Total COGS</b>	29,339.56	119,828.16
<b>Gross Profit</b>	14,169.55	147,781.98
<b>Expense</b>		
6999 · Uncategorized Expenses	0.00	0.00
382.1 · house meters	0.00	0.00
1002.00 · Bob Musgrove Road		
1002.05 · Valves, caps, couplings tees	0.00	0.00
<b>Total 1002.00 · Bob Musgrove Road</b>	<u>0.00</u>	<u>0.00</u>
900 · Tot Gas Oper & Maint Exp		
907 · Cust Svc & Info Expenses		
908 · New Customer Hookup Expense		
908.1 · Labor	3,069.00	14,611.28
908.2 · Materials		
908.2.1 · El's etc	33.18	33.18
908.2.2 · Meters	490.00	3,538.85
908.2.3 · Pipe	5,808.66	7,183.66
908.2 · Materials - Other	5,321.74	19,600.17
<b>Total 908.2 · Materials</b>	<u>11,653.58</u>	<u>30,355.86</u>
908.4 · Other Expense - New Customers	280.34	2,800.34
<b>Total 908 · New Customer Hookup Expense</b>	<u>15,002.92</u>	<u>47,767.48</u>
907 · Cust Svc & Info Expenses - Other	0.00	540.23
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<u>15,002.92</u>	<u>48,307.71</u>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	0.00	36,061.62
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	31,378.25	92,493.75
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<u>31,378.25</u>	<u>92,493.75</u>

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2000

	Jul - Sep 00	Jan - Sep 00
<b>921 · Office Supplies/Expense (921)</b>		
921.3.2 · Computer Expense	1,206.00	1,206.00
921.4 · Telephone	2,552.17	5,972.50
921.3.7 · Postage/FedEx	803.23	3,194.21
921.3.1 · Bank Service Charges	0.00	120.00
921.1 · Office Supplies	1,281.61	2,944.99
921.2 · Office Cleaning	0.00	245.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>5,843.01</b>	<b>13,682.70</b>
<b>923 · Outside Services (923)</b>		
923.2 · Accounting Fees	199.65	687.20
923.5 · Other-Labor	0.00	1,000.00
923.6 · Legal Fee & Professional Fees	2,017.50	4,899.95
<b>Total 923 · Outside Services (923)</b>	<b>2,217.15</b>	<b>6,587.15</b>
<b>925 · Injuries &amp; Damages</b>		
925.1 · Property Insurance	407.86	1,010.09
925.2 · Insurance - Liability	0.00	318.81
925.3 · Insurance - Life	164.66	329.32
925.4 · Insurance - Workmans' Comp	0.00	904.49
<b>Total 925 · Injuries &amp; Damages</b>	<b>572.52</b>	<b>2,562.71</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	2,234.64	6,060.14
926 · Employee Pension/Benefit (926) - Ot...	2,846.82	2,846.82
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>5,081.46</b>	<b>8,906.96</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	0.00	350.57
928.2 · Licenses	0.00	529.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>0.00</b>	<b>879.57</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	0.00	241.25
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>0.00</b>	<b>241.25</b>
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	30.64	1,245.04
930.3.1 · Bank Service/Check Charges	0.00	19.03
930.3.3 · Donations	0.00	25.00
930.3.4 · Dues and Subscriptions	71.12	1,347.39
930.3.5 · Employee Drug Testing Service	75.00	195.00
930.3.7 · Postage/Fedex	0.00	0.00
930.3.8 · Repairs & Maintenance	1,803.88	1,879.84
930.3.9 · Supplies	88.30	550.07
930.4 · Telephone Expense	0.00	0.00
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	15.42	267.26
930.5.3 · Travel	0.00	2,635.59
930.5 · Travel & Entertainment - Other	51.90	6,174.59
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>67.32</b>	<b>9,077.44</b>
930.6 · Utilities	440.02	1,476.71
930.6.1 · Termite Control - Office	88.00	264.00
930.3 · Misc General Exp - Other	0.00	0.00
<b>Total 930.3 · Misc General Exp</b>	<b>2,664.28</b>	<b>16,079.52</b>
<b>931 · Rents (931)</b>	<b>400.00</b>	<b>1,800.00</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	2,175.75	6,700.90
933.3 · Auto Taxes	0.00	589.00
933.4 · Auto Repair & Maint	1,376.01	2,030.85
933.5 · Insurance/Title/Fees	636.31	2,120.07
<b>Total 933 · Transportation Expenses (933)</b>	<b>4,188.07</b>	<b>11,440.82</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2000

	Jul - Sep 00	Jan - Sep 00
935 · Maint of General Plant (935)		
935.1 · Equipment Repairs	966.32	4,332.94
935.4 · Storage Rental - Equipment	0.00	0.00
<b>Total 935 · Maint of General Plant (935)</b>	<u>966.32</u>	<u>4,332.94</u>
<b>Total 920 · Admin &amp; Gen Expense</b>	<u>53,311.06</u>	<u>195,068.99</u>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	68,313.98	243,376.70
408 · Taxes Other than Income		
408.1 · Payroll Taxes	2,527.48	8,387.26
408.2 · Property Taxes	17,808.58	21,692.26
<b>Total 408 · Taxes Other than Income</b>	<u>20,336.06</u>	<u>30,079.52</u>
999.1 · Miscellaneous	-185.30	-4,530.41
999.9 · Houston Office Expense	21,838.60	49,105.78
<b>Total Expense</b>	<u>110,303.34</u>	<u>318,031.59</u>
<b>Net Ordinary Income</b>	-96,133.79	-170,249.61
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418 · Interest - FUNB	1,264.58	3,792.19
<b>Total 415-418 · Nonutility Income</b>	<u>1,264.58</u>	<u>3,792.19</u>
<b>Total Other Income</b>	1,264.58	3,792.19
<b>Other Expense</b>		
427 · Interest-Long Term Debt	0.00	0.00
431 · Other Interest Expense		
431.5 · Interest - LBU-LLC	-1,182.00	0.00
431.2 · Interest expense - customer dep	60.00	234.00
431.3 · Interest - Vehicle Loans	-868.26	-2,292.26
431.4 · Interest-Note Payable	23,382.83	75,443.93
<b>Total 431 · Other Interest Expense</b>	<u>21,392.57</u>	<u>73,385.67</u>
<b>Total Other Expense</b>	<u>21,392.57</u>	<u>73,385.67</u>
<b>Net Other Income</b>	-20,127.99	-69,593.48
<b>Net Income</b>	<u><u>-116,261.78</u></u>	<u><u>-239,843.09</u></u>

**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 2000

	Oct - Dec 00	Jan - Dec 00
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	50,283.06	108,800.63
480.2 · Commercial Sales	17,964.56	49,811.87
480.3 · Industrial Sales	4,303.21	22,190.69
480.4 · Public Sales	21,053.61	103,697.61
<b>Total 480 · Ultimate Consumers</b>	<b>93,604.44</b>	<b>284,500.80</b>
<b>Total 4800 · Operating Revenues</b>	<b>93,604.44</b>	<b>284,500.80</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	146.66	1,456.44
488.3 · Hook up fees collected	-6,671.00	0.00
<b>Total 488.1 · Misc Service Revenues</b>	<b>-6,524.34</b>	<b>1,456.44</b>
495 · Other Gas Revenues-Transportati	47,679.00	116,412.00
<b>Total 484 · Other Operating Revenue</b>	<b>41,154.66</b>	<b>117,868.44</b>
<b>Total Income</b>	<b>134,759.10</b>	<b>402,369.24</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	24,151.00	98,723.00
730.4 · Compressor Rent	5,686.90	33,352.90
730.6 · Compressor Maintenance, Supplie	4,208.77	21,798.93
<b>Total 730 · Cost of Goods Sold</b>	<b>34,046.67</b>	<b>153,874.83</b>
<b>Total COGS</b>	<b>34,046.67</b>	<b>153,874.83</b>
<b>Gross Profit</b>	<b>100,712.43</b>	<b>248,494.41</b>
<b>Expense</b>		
376 · .1Meters/Setup	0.00	0.00
6999 · Uncategorized Expenses	0.00	0.00
382.1 · house meters	0.00	0.00
1002.00 · Bob Musgrove Road		
1002.05 · Valves, caps, couplings tees	0.00	0.00
<b>Total 1002.00 · Bob Musgrove Road</b>	<b>0.00</b>	<b>0.00</b>
900 · Tot Gas Oper & Maint Exp		
907 · Cust Svc & Info Expenses		
908 · New Customer Hookup Expense		
908.1 · Labor	70.00	14,681.28
908.2 · Materials		
908.2.1 · El's etc	0.00	33.18
908.2.2 · Meters	980.00	4,518.85
908.2.3 · Pipe	0.00	7,183.66
908.2 · Materials - Other	-19,600.17	0.00
<b>Total 908.2 · Materials</b>	<b>-18,620.17</b>	<b>11,735.69</b>
908.4 · Other Expense - New Customers	0.00	2,800.34
<b>Total 908 · New Customer Hookup Expense</b>	<b>-18,550.17</b>	<b>29,217.31</b>
907 · Cust Svc & Info Expenses - Other	0.00	540.23
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>-18,550.17</b>	<b>29,757.54</b>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	53,000.00	89,061.62
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	-45,275.62	47,218.13
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<b>-45,275.62</b>	<b>47,218.13</b>
920.4 · Management fees		
920.4.1 · Compensation Expense	0.00	0.00
920.4.2 · Consulting Expense	0.00	0.00
<b>Total 920.4 · Management fees</b>	<b>0.00</b>	<b>0.00</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
 October through December 2000

	Oct - Dec 00	Jan - Dec 00
<b>921 · Office Supplies/Expense (921)</b>		
921.5 · Uniforms	390.73	390.73
921.3.2 · Computer Expense	15.00	1,221.00
921.4 · Telephone	3,254.76	9,227.26
921.3.7 · Postage/FedEx	1,238.64	4,432.85
921.3.1 · Bank Service Charges	71.75	191.75
921.1 · Office Supplies	826.03	3,771.02
921.2 · Office Cleaning	105.00	350.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>5,901.91</b>	<b>19,584.61</b>
<b>923 · Outside Services (923)</b>		
923.2 · Accounting Fees	488.85	1,176.05
923.5 · Other-Labor	0.00	1,000.00
923.6 · Legal Fee & Professional Fees	-2,383.00	2,516.95
<b>Total 923 · Outside Services (923)</b>	<b>-1,894.15</b>	<b>4,693.00</b>
<b>925 · Injuries &amp; Damages</b>		
925.1 · Property Insurance	4,066.78	5,076.87
925.2 · Insurance - Liability	0.00	318.81
925.3 · Insurance - Life	0.00	329.32
925.4 · Insurance - Workmans' Comp	-99.35	805.14
925.5 · Insurance-Medical	0.00	0.00
<b>Total 925 · Injuries &amp; Damages</b>	<b>3,967.43</b>	<b>6,530.14</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	-3,386.58	2,673.56
926 · Employee Pension/Benefit (926) - Other	0.00	2,846.82
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>-3,386.58</b>	<b>5,520.38</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	0.00	350.57
928.2 · Licenses	0.00	529.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>0.00</b>	<b>879.57</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	0.00	241.25
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>0.00</b>	<b>241.25</b>
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	1,296.17	2,541.21
930.3.1 · Bank Service/Check Charges	0.00	19.03
930.3.3 · Donations	0.00	25.00
930.3.4 · Dues and Subscriptions	655.66	2,003.05
930.3.5 · Employee Drug Testing Service	125.00	320.00
930.3.7 · Postage/Fedex	0.00	0.00
930.3.8 · Repairs & Maintenance	0.00	1,879.84
930.3.9 · Supplies	0.00	550.07
930.4 · Telephone Expense	44.00	44.00
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	43.46	310.72
930.5.3 · Travel	2,592.25	5,227.84
930.5 · Travel & Entertainment - Other	437.84	6,612.43
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>3,073.55</b>	<b>12,150.99</b>
930.6 · Utilities	823.72	2,300.43
930.6.1 · Termite Control - Office	88.00	352.00
930.3 · Misc General Exp - Other	0.00	0.00
<b>Total 930.3 · Misc General Exp</b>	<b>6,106.10</b>	<b>22,185.62</b>
<b>931 · Rents (931)</b>	<b>900.00</b>	<b>2,700.00</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	-3,345.64	3,355.26
933.3 · Auto Taxes	0.00	589.00
933.4 · Auto Repair & Maint	-1,233.30	797.55
933.5 · Insurance/Title/Fees	-1,032.92	1,087.15
<b>Total 933 · Transportation Expenses (933)</b>	<b>-5,611.86</b>	<b>5,828.96</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	-2,818.21	1,514.73
935.4 · Storage Rental - Equipment	0.00	0.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>-2,818.21</b>	<b>1,514.73</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>10,889.02</b>	<b>205,958.01</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>-7,661.15</b>	<b>235,715.55</b>
<b>403 · Depr &amp; Depl Expense</b>	<b>115,485.00</b>	<b>115,485.00</b>

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
 October through December 2000

	Oct - Dec 00	Jan - Dec 00
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	-4,190.36	4,196.90
408.2 · Property Taxes	881.67	22,573.93
<b>Total 408 · Taxes Other than Income</b>	-3,308.69	26,770.83
999.1 · Miscellaneous	0.00	-4,530.41
999.9 · Houston Office Expense	6,394.22	55,500.00
<b>Total Expense</b>	110,909.38	428,940.97
<b>Net Ordinary Income</b>	-10,196.95	-180,446.56
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418 · Interest - FUNB	513.22	4,305.41
<b>Total 415-418 · Nonutility Income</b>	513.22	4,305.41
<b>Total Other Income</b>	513.22	4,305.41
<b>Other Expense</b>		
427 · Interest-Long Term Debt	0.00	0.00
431 · Other Interest Expense		
431.5 · Interest - LBU-LLC	0.00	0.00
431.2 · Interest expense - customer dep	0.00	234.00
431.3 · Interest - Vehicle Loans	0.00	-2,292.26
431.4 · Interest-Note Payable	17,150.31	92,594.24
<b>Total 431 · Other Interest Expense</b>	17,150.31	90,535.98
<b>Total Other Expense</b>	17,150.31	90,535.98
<b>Net Other Income</b>	-16,637.09	-86,230.57
<b>Net Income</b>	-26,834.04	-266,677.13

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2001

	Jan - Mar 01	Jan - Mar 01
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	110,193.51	110,193.51
480.2 · Commercial Sales	51,034.81	51,034.81
480.3 · Industrial Sales	22,030.51	22,030.51
480.4 · Public Sales	46,198.04	46,198.04
<b>Total 480 · Ultimate Consumers</b>	<b>229,456.87</b>	<b>229,456.87</b>
<b>Total 4800 · Operating Revenues</b>	<b>229,456.87</b>	<b>229,456.87</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	2,725.50	2,725.50
488.3 · Hook up fees collected	100.00	100.00
<b>Total 488.1 · Misc Service Revenues</b>	<b>2,825.50</b>	<b>2,825.50</b>
495 · Other Gas Revenues-Transportati	33,466.00	33,466.00
<b>Total 484 · Other Operating Revenue</b>	<b>36,291.50</b>	<b>36,291.50</b>
<b>Total Income</b>	<b>265,748.37</b>	<b>265,748.37</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	113,997.00	113,997.00
730.4 · Compressor Rent	9,222.00	9,222.00
730.6 · Compressor Maintenance, Supplie	409.02	409.02
<b>Total 730 · Cost of Goods Sold</b>	<b>123,628.02</b>	<b>123,628.02</b>
<b>Total COGS</b>	<b>123,628.02</b>	<b>123,628.02</b>
<b>Gross Profit</b>	<b>142,120.35</b>	<b>142,120.35</b>
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
907 · Cust Svc & Info Expenses		
908 · New Customer Hookup Expense		
908.2 · Materials	11,798.92	11,798.92
<b>Total 908 · New Customer Hookup Expense</b>	<b>11,798.92</b>	<b>11,798.92</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>11,798.92</b>	<b>11,798.92</b>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	9,023.77	9,023.77
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	58,566.70	58,566.70
<b>Total 920.1 · Admin &amp; General Salaries (9...</b>	<b>58,566.70</b>	<b>58,566.70</b>
921 · Office Supplies/Expense (921)		
921.5 · Uniforms	680.92	680.92
921.3.2 · Computer Expense	260.20	260.20
921.4 · Telephone	2,441.89	2,441.89
921.3.7 · Postage/FedEx	903.54	903.54
921.3.1 · Bank Service Charges	98.48	98.48
921.1 · Office Supplies	3,567.78	3,567.78
921.2 · Office Cleaning	175.00	175.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>8,127.81</b>	<b>8,127.81</b>
923 · Outside Services (923)		
923.1 · Engineering Services	166.25	166.25
923.2 · Accounting Fees	511.95	511.95
923.5 · Other-Labor	1,000.00	1,000.00
923.6 · Legal Fee & Professional Fees	1,815.00	1,815.00
<b>Total 923 · Outside Services (923)</b>	<b>3,493.20</b>	<b>3,493.20</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
 January through March 2001

	Jan - Mar 01	Jan - Mar 01
<b>925 · Injuries &amp; Damages</b>		
925.2 · Insurance - Liability	680.73	680.73
925.3 · Insurance - Life	274.44	274.44
925.4 · Insurance - Workmans' Comp	1,509.73	1,509.73
<b>Total 925 · Injuries &amp; Damages</b>	<b>2,464.90</b>	<b>2,464.90</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	6,173.99	6,173.99
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>6,173.99</b>	<b>6,173.99</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.2 · Licenses	25.00	25.00
<b>Total 928 · Regulatory Comm Expenses (...)</b>	<b>25.00</b>	<b>25.00</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.2 · Geological Maps	0.00	0.00
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>0.00</b>	<b>0.00</b>
<b>930.3 · Misc General Exp</b>		
930.3.1 · Bank Service/Check Charges	25.00	25.00
930.3.4 · Dues and Subscriptions	618.00	618.00
930.3.6 · Equipment Storage	48.00	48.00
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	42.77	42.77
930.5.3 · Travel	378.00	378.00
930.5 · Travel & Entertainment - Other	1,745.88	1,745.88
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>2,166.65</b>	<b>2,166.65</b>
930.6 · Utilities	625.09	625.09
930.6.1 · Termite Control - Office	88.00	88.00
<b>Total 930.3 · Misc General Exp</b>	<b>3,570.74</b>	<b>3,570.74</b>
<b>931 · Rents (931)</b>	<b>1,500.00</b>	<b>1,500.00</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	4,467.93	4,467.93
933.3 · Auto Taxes	93.31	93.31
933.5 · Insurance/Title/Fees	314.00	314.00
<b>Total 933 · Transportation Expenses (933)</b>	<b>4,875.24</b>	<b>4,875.24</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	4,550.58	4,550.58
<b>Total 935 · Maint of General Plant (935)</b>	<b>4,550.58</b>	<b>4,550.58</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>102,371.93</b>	<b>102,371.93</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>114,170.85</b>	<b>114,170.85</b>
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	5,567.35	5,567.35
408.2 · Property Taxes	19,369.28	19,369.28
<b>Total 408 · Taxes Other than Income</b>	<b>24,936.63</b>	<b>24,936.63</b>
<b>999.1 · Miscellaneous</b>	<b>418.08</b>	<b>418.08</b>
<b>Total Expense</b>	<b>139,525.56</b>	<b>139,525.56</b>
<b>Net Ordinary Income</b>	<b>2,594.79</b>	<b>2,594.79</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
415 · Interest/Dividend Income	310.67	310.67
<b>Total 415-418 · Nonutility Income</b>	<b>310.67</b>	<b>310.67</b>
<b>Total Other Income</b>	<b>310.67</b>	<b>310.67</b>



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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2001

	<u>Jan - Mar 01</u>	<u>Jan - Mar 01</u>
<b>Other Expense</b>		
<b>431 · Other Interest Expense</b>		
431.2 · Interest expense - customer dep	60.50	60.50
431.4 · Interest-Note Payable	25,912.20	25,912.20
<b>Total 431 · Other Interest Expense</b>	<u>25,972.70</u>	<u>25,972.70</u>
<b>Total Other Expense</b>	<u>25,972.70</u>	<u>25,972.70</u>
<b>Net Other Income</b>	<u>-25,662.03</u>	<u>-25,662.03</u>
<b>Net Income</b>	<u><u>-23,067.24</u></u>	<u><u>-23,067.24</u></u>

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2001

	Apr - Jun 01	Jan - Jun 01
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	20,295.64	130,489.15
480.2 · Commercial Sales	11,296.01	62,330.82
480.3 · Industrial Sales	322.17	22,352.68
480.4 · Public Sales	15,629.62	61,827.66
<b>Total 480 · Ultimate Consumers</b>	<b>47,543.44</b>	<b>277,000.31</b>
<b>Total 4800 · Operating Revenues</b>	<b>47,543.44</b>	<b>277,000.31</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	2,005.79	4,731.29
488.3 · Hook up fees collected	750.00	850.00
<b>Total 488.1 · Misc Service Revenues</b>	<b>2,755.79</b>	<b>5,581.29</b>
495 · Other Gas Revenues-Transportati	43,723.00	77,189.00
<b>Total 484 · Other Operating Revenue</b>	<b>46,478.79</b>	<b>82,770.29</b>
<b>Total Income</b>	<b>94,022.23</b>	<b>359,770.60</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	15,964.00	129,961.00
730.4 · Compressor Rent	9,222.00	18,444.00
730.6 · Compressor Maintenance, Supplie	707.05	1,116.07
<b>Total 730 · Cost of Goods Sold</b>	<b>25,893.05</b>	<b>149,521.07</b>
<b>Total COGS</b>	<b>25,893.05</b>	<b>149,521.07</b>
<b>Gross Profit</b>	<b>68,129.18</b>	<b>210,249.53</b>
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
907 · Cust Svc & Info Expenses		
908 · New Customer Hookup Expense		
908.2 · Materials	1,879.19	13,678.11
<b>Total 908 · New Customer Hookup Expense</b>	<b>1,879.19</b>	<b>13,678.11</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>1,879.19</b>	<b>13,678.11</b>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	3,767.75	12,791.52
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	57,726.36	116,293.06
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<b>57,726.36</b>	<b>116,293.06</b>
921 · Office Supplies/Expense (921)		
921.5 · Uniforms	709.64	1,390.56
921.3.2 · Computer Expense	0.00	260.20
921.4 · Telephone	3,405.71	5,847.60
921.3.7 · Postage/FedEx	782.20	1,685.74
921.3.1 · Bank Service Charges	120.00	218.48
921.1 · Office Supplies	980.99	4,548.77
921.2 · Office Cleaning	228.00	403.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>6,226.54</b>	<b>14,354.35</b>
923 · Outside Services (923)		
923.1 · Engineering Services	24,000.00	24,166.25
923.2 · Accounting Fees	390.30	902.25
923.5 · Other-Labor	0.00	1,000.00
923.6 · Legal Fee & Professional Fees	1,611.00	3,426.00
<b>Total 923 · Outside Services (923)</b>	<b>26,001.30</b>	<b>29,494.50</b>
925 · Injuries & Damages		
925.2 · Insurance - Liability	1,673.44	2,354.17
925.3 · Insurance - Life	0.00	274.44
925.4 · Insurance - Workmans' Comp	1,006.40	2,516.13
<b>Total 925 · Injuries &amp; Damages</b>	<b>2,679.84</b>	<b>5,144.74</b>
926 · Employee Pension/Benefit (926)		
926.5 · Insurance-Medical	3,013.27	9,187.26
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>3,013.27</b>	<b>9,187.26</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
 April through June 2001

	Apr - Jun 01	Jan - Jun 01
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	680.38	680.38
928.2 · Licenses	390.00	415.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>1,070.38</b>	<b>1,095.38</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.2 · Geological Maps	982.50	982.50
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>982.50</b>	<b>982.50</b>
<b>930.3 · Misc General Exp</b>		
930.3.1 · Bank Service/Check Charges	0.00	25.00
930.3.2 · Computer Repair & Maint	48.53	48.53
930.3.3 · Donations	100.00	100.00
930.3.4 · Dues and Subscriptions	885.00	1,503.00
930.3.5 · Employee Drug Testing Service	60.00	60.00
930.3.6 · Equipment Storage	120.41	168.41
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	0.00	42.77
930.5.3 · Travel	770.68	1,148.68
930.5 · Travel & Entertainment - Other	4,715.43	6,461.31
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>5,486.11</b>	<b>7,652.76</b>
930.6 · Utilities	485.26	1,110.35
930.6.1 · Termite Control - Office	88.00	176.00
<b>Total 930.3 · Misc General Exp</b>	<b>7,273.31</b>	<b>10,844.05</b>
931 · Rents (931)	1,800.00	3,300.00
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	3,961.67	8,429.60
933.3 · Auto Taxes	158.60	251.91
933.4 · Auto Repair & Maint	77.45	77.45
933.5 · Insurance/Title/Fees	891.98	1,205.98
<b>Total 933 · Transportation Expenses (933)</b>	<b>5,089.70</b>	<b>9,964.94</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	3,525.81	8,076.39
<b>Total 935 · Maint of General Plant (935)</b>	<b>3,525.81</b>	<b>8,076.39</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>119,156.76</b>	<b>221,528.69</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>121,035.95</b>	<b>235,206.80</b>
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	7,686.91	13,254.26
408.2 · Property Taxes	0.00	19,369.28
<b>Total 408 · Taxes Other than Income</b>	<b>7,686.91</b>	<b>32,623.54</b>
999.1 · Miscellaneous	329.00	747.08
<b>Total Expense</b>	<b>129,051.86</b>	<b>268,577.42</b>
<b>Net Ordinary Income</b>	<b>-60,922.68</b>	<b>-58,327.89</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
415 · Interest/Dividend Income	561.72	872.39
<b>Total 415-418 · Nonutility Income</b>	<b>561.72</b>	<b>872.39</b>
<b>Total Other Income</b>	<b>561.72</b>	<b>872.39</b>
<b>Other Expense</b>		
431 · Other Interest Expense		
431.2 · Interest expense - customer dep	129.00	189.50
431.4 · Interest-Note Payable	22,526.70	48,438.90
<b>Total 431 · Other Interest Expense</b>	<b>22,655.70</b>	<b>48,628.40</b>
<b>Total Other Expense</b>	<b>22,655.70</b>	<b>48,628.40</b>
<b>Net Other Income</b>	<b>-22,093.98</b>	<b>-47,756.01</b>
<b>Net Income</b>	<b>-83,016.66</b>	<b>-106,083.90</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2001

	Jul - Sep 01	Jan - Sep 01
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	10,832.11	141,121.26
480.2 · Commercial Sales	9,089.08	71,419.90
480.3 · Industrial Sales	287.56	22,640.24
480.4 · Public Sales	9,066.01	70,893.67
<b>Total 480 · Ultimate Consumers</b>	<b>29,074.76</b>	<b>306,075.07</b>
<b>Total 4800 · Operating Revenues</b>	<b>29,074.76</b>	<b>306,075.07</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	623.53	5,354.82
488.3 · Hook up fees collected	1,000.00	1,850.00
<b>Total 488.1 · Misc Service Revenues</b>	<b>1,623.53</b>	<b>7,204.82</b>
495 · Other Gas Revenues-Transportati	34,448.00	111,637.00
<b>Total 484 · Other Operating Revenue</b>	<b>36,071.53</b>	<b>118,841.82</b>
<b>Total Income</b>	<b>65,146.29</b>	<b>424,916.89</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	9,855.00	139,816.00
730.4 · Compressor Rent	9,222.00	27,666.00
730.6 · Compressor Maintenance, Supplie	382.17	1,498.24
<b>Total 730 · Cost of Goods Sold</b>	<b>19,459.17</b>	<b>168,980.24</b>
<b>Total COGS</b>	<b>19,459.17</b>	<b>168,980.24</b>
<b>Gross Profit</b>	<b>45,687.12</b>	<b>255,936.65</b>
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
907 · Cust Svc & Info Expenses		
908 · New Customer Hookup Expense		
908.2 · Materials	366.15	14,044.26
<b>Total 908 · New Customer Hookup Expense</b>	<b>366.15</b>	<b>14,044.26</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>366.15</b>	<b>14,044.26</b>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	0.00	12,791.52
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	43,599.31	159,892.37
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<b>43,599.31</b>	<b>159,892.37</b>
921 · Office Supplies/Expense (921)		
921.5 · Uniforms	489.32	1,879.88
921.3.2 · Computer Expense	0.00	260.20
921.4 · Telephone	2,656.38	8,503.98
921.3.7 · Postage/FedEx	800.05	2,485.79
921.3.1 · Bank Service Charges	0.00	218.48
921.1 · Office Supplies	644.30	5,193.07
921.2 · Office Cleaning	402.00	805.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>4,992.05</b>	<b>19,346.40</b>
923 · Outside Services (923)		
923.1 · Engineering Services	383.25	24,549.50
923.2 · Accounting Fees	1,261.16	2,163.41
923.5 · Other-Labor	0.00	1,000.00
923.6 · Legal Fee & Professional Fees	380.00	3,806.00
<b>Total 923 · Outside Services (923)</b>	<b>2,024.41</b>	<b>31,518.91</b>
925 · Injuries & Damages		
925.2 · Insurance - Liability	399.89	2,754.06
925.3 · Insurance - Life	0.00	274.44
925.4 · Insurance - Workmans' Comp	1,509.60	4,025.73
<b>Total 925 · Injuries &amp; Damages</b>	<b>1,909.49</b>	<b>7,054.23</b>
926 · Employee Pension/Benefit (926)		
926.5 · Insurance-Medical	2,833.51	12,020.77
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>2,833.51</b>	<b>12,020.77</b>

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Accrual Basis

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2001

	Jul - Sep 01	Jan - Sep 01
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	0.00	680.38
928.2 · Licenses	0.00	415.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	0.00	1,095.38
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.2 · Geological Maps	1,197.50	2,180.00
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	1,197.50	2,180.00
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	115.71	115.71
930.3.1 · Bank Service/Check Charges	2.50	27.50
930.3.2 · Computer Repair & Maint	0.00	48.53
930.3.3 · Donations	0.00	100.00
930.3.4 · Dues and Subscriptions	325.00	1,828.00
930.3.5 · Employee Drug Testing Service	0.00	60.00
930.3.6 · Equipment Storage	0.00	168.41
930.3.9 · Supplies	95.33	95.33
930.4 · Telephone Expense	90.00	90.00
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	0.00	42.77
930.5.3 · Travel	0.00	1,148.68
930.5 · Travel & Entertainment - Other	3,423.81	9,885.12
<b>Total 930.5 · Travel &amp; Entertainment</b>	3,423.81	11,076.57
930.6 · Utilities	456.63	1,566.98
930.6.1 · Termite Control - Office	96.80	272.80
<b>Total 930.3 · Misc General Exp</b>	4,605.78	15,449.83
<b>931 · Rents (931)</b>	450.00	3,750.00
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	4,275.86	12,705.46
933.3 · Auto Taxes	797.00	1,048.91
933.4 · Auto Repair & Maint	1,683.19	1,760.64
933.5 · Insurance/Title/Fees	1,666.62	2,872.60
<b>Total 933 · Transportation Expenses (933)</b>	8,422.67	18,387.61
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	946.88	9,023.27
935.3 · Equipment Other	243.80	243.80
<b>Total 935 · Maint of General Plant (935)</b>	1,190.68	9,267.07
<b>Total 920 · Admin &amp; Gen Expense</b>	71,225.40	292,754.09
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	71,591.55	306,798.35
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	3,335.34	16,589.60
408.2 · Property Taxes	0.00	19,369.28
<b>Total 408 · Taxes Other than Income</b>	3,335.34	35,958.88
<b>999.1 · Miscellaneous</b>	10,442.00	11,189.08
<b>Total Expense</b>	85,368.89	353,946.31
<b>Net Ordinary Income</b>	-39,681.77	-98,009.66
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
415 · Interest/Dividend Income	277.52	1,149.91
<b>Total 415-418 · Nonutility Income</b>	277.52	1,149.91
<b>Total Other Income</b>	277.52	1,149.91
<b>Other Expense</b>		
431 · Other Interest Expense		
431.2 · Interest expense - customer dep	21.00	210.50
431.4 · Interest-Note Payable	20,822.46	69,261.36
<b>Total 431 · Other Interest Expense</b>	20,843.46	69,471.86
<b>Total Other Expense</b>	20,843.46	69,471.86
<b>Net Other Income</b>	-20,565.94	-68,321.95
<b>Net Income</b>	-60,247.71	-166,331.61

**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 2001

	Oct - Dec 01	Jan - Dec 01
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>4800 · Operating Revenues</b>		
<b>480 · Ultimate Consumers</b>		
480.1 · Residential Sales	34,917.38	176,038.64
480.2 · Commercial Sales	14,295.56	85,715.46
480.3 · Industrial Sales	4,530.63	27,170.87
480.4 · Public Sales	31,339.93	102,233.60
<b>Total 480 · Ultimate Consumers</b>	<u>85,083.50</u>	<u>391,158.57</u>
<b>Total 4800 · Operating Revenues</b>	85,083.50	391,158.57
<b>484 · Other Operating Revenue</b>		
<b>488.1 · Misc Service Revenues</b>		
488.2 · Late Charges Collected	495.56	5,850.38
488.3 · Hook up fees collected	9,632.79	11,482.79
<b>Total 488.1 · Misc Service Revenues</b>	<u>10,128.35</u>	<u>17,333.17</u>
<b>495 · Other Gas Revenues-Transportati</b>	43,581.00	155,218.00
<b>Total 484 · Other Operating Revenue</b>	<u>53,709.35</u>	<u>172,551.17</u>
<b>Total Income</b>	138,792.85	563,709.74
<b>Cost of Goods Sold</b>		
<b>730 · Cost of Goods Sold</b>		
730.2 · Natural Gas	34,414.00	174,230.00
730.4 · Compressor Rent	9,222.00	36,888.00
730.6 · Compressor Maintenance, Supplie	2,739.62	4,237.86
<b>Total 730 · Cost of Goods Sold</b>	<u>46,375.62</u>	<u>215,355.86</u>
<b>Total COGS</b>	46,375.62	215,355.86
<b>Gross Profit</b>	92,417.23	348,353.88
<b>Expense</b>		
<b>900 · Tot Gas Oper &amp; Maint Exp</b>		
<b>900.1 · Customer Accounts Expense</b>		
904 · Uncollectible Accounts	4,102.87	4,102.87
<b>Total 900.1 · Customer Accounts Expense</b>	<u>4,102.87</u>	<u>4,102.87</u>
<b>907 · Cust Svc &amp; Info Expenses</b>		
<b>908 · New Customer Hookup Expense</b>		
908.2 · Materials	4,040.97	18,085.23
908 · New Customer Hookup Expense - Other	131.64	131.64
<b>Total 908 · New Customer Hookup Expense</b>	<u>4,172.61</u>	<u>18,216.87</u>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	4,172.61	18,216.87
<b>920 · Admin &amp; Gen Expense</b>		
<b>920.5 · Citipower Offering Expense</b>	23,445.98	36,237.50
<b>920.1 · Admin &amp; General Salaries (920)</b>		
6560 · Payroll Expenses	-17,481.18	142,411.19
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<u>-17,481.18</u>	<u>142,411.19</u>
<b>920.4 · Management fees</b>		
920.4.1 · Compensation Expense	0.00	0.00
920.4.2 · Consulting Expense	0.00	0.00
<b>Total 920.4 · Management fees</b>	<u>0.00</u>	<u>0.00</u>
<b>921 · Office Supplies/Expense (921)</b>		
921.5 · Uniforms	150.56	2,030.44
921.3.2 · Computer Expense	35.00	295.20
921.4 · Telephone	3,693.78	12,197.76
921.3.7 · Postage/FedEx	616.98	3,102.77
921.3.1 · Bank Servive Charges	75.00	293.48
921.1 · Office Supplies	1,666.45	6,859.52
921.2 · Office Cleaning	421.00	1,226.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<u>6,658.77</u>	<u>26,005.17</u>
<b>923 · Outside Services (923)</b>		
923.1 · Engineering Services	171.00	24,720.50
923.2 · Accounting Fees	271.02	2,434.43
923.5 · Other-Labor	0.00	1,000.00
923.6 · Legal Fee & Professional Fees	0.00	3,806.00
<b>Total 923 · Outside Services (923)</b>	<u>442.02</u>	<u>31,960.93</u>

**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 2001

	Oct - Dec 01	Jan - Dec 01
<b>925 · Injuries &amp; Damages</b>		
925.1 · Property Insurance	604.94	604.94
925.2 · Insurance - Liability	508.24	3,262.30
925.3 · Insurance - Life	0.00	274.44
925.4 · Insurance - Workmans' Comp	-430.12	3,595.61
<b>Total 925 · Injuries &amp; Damages</b>	<b>683.06</b>	<b>7,737.29</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	-4,520.63	7,500.14
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>-4,520.63</b>	<b>7,500.14</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	0.00	680.38
928.2 · Licenses	0.00	415.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>0.00</b>	<b>1,095.38</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	95.00	95.00
930.2 · Geological Maps	0.00	2,180.00
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>95.00</b>	<b>2,275.00</b>
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	2,116.25	2,231.96
930.3.1 · Bank Service/Check Charges	181.00	208.50
930.3.2 · Computer Repair & Maint	0.00	48.53
930.3.3 · Donations	50.00	150.00
930.3.4 · Dues and Subscriptions	0.00	1,828.00
930.3.5 · Employee Drug Testing Service	245.00	305.00
930.3.6 · Equipment Storage	138.40	306.81
930.3.7 · Postage/Fedex	34.00	34.00
930.3.8 · Repairs & Maintenance	1,627.88	1,627.88
930.3.9 · Supplies	0.00	95.33
930.4 · Telephone Expense	0.00	90.00
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	0.00	42.77
930.5.3 · Travel	326.55	1,475.23
930.5 · Travel & Entertainment - Other	8,739.62	18,624.74
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>9,066.17</b>	<b>20,142.74</b>
930.6 · Utilities	828.13	2,395.11
930.6.1 · Termite Control - Office	45.20	318.00
<b>Total 930.3 · Misc General Exp</b>	<b>14,332.03</b>	<b>29,781.86</b>
<b>931 · Rents (931)</b>	<b>2,500.00</b>	<b>6,250.00</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	-4,247.97	8,457.49
933.3 · Auto Taxes	151.87	1,200.78
933.4 · Auto Repair & Maint	4,185.59	5,946.23
933.5 · Insurance/Title/Fees	1,294.95	4,167.55
<b>Total 933 · Transportation Expenses (933)</b>	<b>1,384.44</b>	<b>19,772.05</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	11,246.71	20,269.98
935.2 · Ditchwitch	25.00	25.00
935.3 · Equipment Other	0.00	243.80
<b>Total 935 · Maint of General Plant (935)</b>	<b>11,271.71</b>	<b>20,538.78</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>38,811.20</b>	<b>331,565.29</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>47,086.68</b>	<b>353,885.03</b>
<b>403 · Depr &amp; Depl Expense</b>	<b>162,503.00</b>	<b>162,503.00</b>
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	-3,177.03	13,412.57
408.2 · Property Taxes	9,470.89	28,840.17
<b>Total 408 · Taxes Other than Income</b>	<b>6,293.86</b>	<b>42,252.74</b>
<b>999.1 · Miscellaneous</b>	<b>1,060.21</b>	<b>12,249.29</b>
<b>Total Expense</b>	<b>216,943.75</b>	<b>570,890.06</b>
<b>Net Ordinary Income</b>	<b>-124,526.52</b>	<b>-222,536.18</b>

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**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 2001

	Oct - Dec 01	Jan - Dec 01
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
415 · Interest/Dividend Income	223.25	1,373.16
<b>Total 415-418 · Nonutility Income</b>	<u>223.25</u>	<u>1,373.16</u>
<b>Total Other Income</b>	223.25	1,373.16
<b>Other Expense</b>		
431 · Other Interest Expense		
431.2 · Interest expense - customer dep	90.00	300.50
431.3 · Interest - Vehicle Loans	859.89	859.89
431.4 · Interest-Note Payable	24,498.81	93,760.17
<b>Total 431 · Other Interest Expense</b>	<u>25,448.70</u>	<u>94,920.56</u>
<b>Total Other Expense</b>	25,448.70	94,920.56
<b>Net Other Income</b>	<u>-25,225.45</u>	<u>-93,547.40</u>
<b>Net Income</b>	<u><u>-149,751.97</u></u>	<u><u>-316,083.58</u></u>



**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2002

	Jan - Mar 02	Jan - Mar 02
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	71,697.81	71,697.81
480.2 · Commercial Sales	27,031.47	27,031.47
480.3 · Industrial Sales	13,653.08	13,653.08
480.4 · Public Sales	79,137.22	79,137.22
<b>Total 480 · Ultimate Consumers</b>	<b>191,519.58</b>	<b>191,519.58</b>
<b>Total 4800 · Operating Revenues</b>	<b>191,519.58</b>	<b>191,519.58</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	1,390.60	1,390.60
488.3 · Hook up fees collected	1,371.29	1,371.29
<b>Total 488.1 · Misc Service Revenues</b>	<b>2,761.89</b>	<b>2,761.89</b>
495 · Other Gas Revenues-Transportati	27,327.00	27,327.00
<b>Total 484 · Other Operating Revenue</b>	<b>30,088.89</b>	<b>30,088.89</b>
<b>Total Income</b>	<b>221,608.47</b>	<b>221,608.47</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	78,155.00	78,155.00
730.4 · Compressor Rent	9,222.00	9,222.00
730.6 · Compressor Maintenance, Supplie	393.15	393.15
<b>Total 730 · Cost of Goods Sold</b>	<b>87,770.15</b>	<b>87,770.15</b>
<b>Total COGS</b>	<b>87,770.15</b>	<b>87,770.15</b>
<b>Gross Profit</b>	<b>133,838.32</b>	<b>133,838.32</b>
<b>Expense</b>		
6999 · Uncategorized Expenses	0.00	0.00
900 · Tot Gas Oper & Maint Exp		
900.1 · Customer Accounts Expense		
904 · Uncollectible Accounts	1,500.00	1,500.00
<b>Total 900.1 · Customer Accounts Expense</b>	<b>1,500.00</b>	<b>1,500.00</b>
907 · Cust Svc & Info Expenses		
908 · New Customer Hookup Expense		
908.2 · Materials	1,923.19	1,923.19
<b>Total 908 · New Customer Hookup Expen...</b>	<b>1,923.19</b>	<b>1,923.19</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>1,923.19</b>	<b>1,923.19</b>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	10,075.00	10,075.00
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	43,617.21	43,617.21
<b>Total 920.1 · Admin &amp; General Salaries (9...</b>	<b>43,617.21</b>	<b>43,617.21</b>
920.4 · Management fees	45,000.00	45,000.00
921 · Office Supplies/Expense (921)		
921.3.2 · Computer Expense	2,499.96	2,499.96
921.4 · Telephone	2,108.64	2,108.64
921.3.7 · Postage/FedEx	520.83	520.83
921.3.1 · Bank Service Charges	120.78	120.78
921.1 · Office Supplies	1,250.21	1,250.21
921.2 · Office Cleaning	470.50	470.50
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>6,970.92</b>	<b>6,970.92</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2002

	Jan - Mar 02	Jan - Mar 02
<b>923 · Outside Services (923)</b>		
923.1 · Engineering Services	140.00	140.00
923.2 · Accounting Fees	201.16	201.16
923.5 · Other-Labor	1,060.00	1,060.00
923.6 · Legal Fee & Professional Fees	144.00	144.00
<b>Total 923 · Outside Services (923)</b>	<b>1,545.16</b>	<b>1,545.16</b>
<b>925 · Injuries &amp; Damages</b>		
925.2 · Insurance - Liability	648.22	648.22
925.4 · Insurance - Workmans' Comp	2,394.51	2,394.51
<b>Total 925 · Injuries &amp; Damages</b>	<b>3,042.73</b>	<b>3,042.73</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	2,211.81	2,211.81
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>2,211.81</b>	<b>2,211.81</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	50.00	50.00
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>50.00</b>	<b>50.00</b>
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	4,164.54	4,164.54
930.4.1 · Employee Annual Meeting	1,437.00	1,437.00
930.3.1 · Bank Service/Check Charges	-37.00	-37.00
930.3.3 · Donations	100.00	100.00
930.3.4 · Dues and Subscriptions	643.00	643.00
930.3.5 · Employee Drug Testing Service	45.00	45.00
930.3.7 · Postage/Fedex	208.04	208.04
930.3.9 · Supplies	146.24	146.24
930.5 · Travel & Entertainment		
930.5.3 · Travel	7,275.46	7,275.46
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>7,275.46</b>	<b>7,275.46</b>
930.6 · Utilities	1,055.89	1,055.89
<b>Total 930.3 · Misc General Exp</b>	<b>15,038.17</b>	<b>15,038.17</b>
<b>931 · Rents (931)</b>	<b>900.00</b>	<b>900.00</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	2,285.65	2,285.65
933.3 · Auto Taxes	207.06	207.06
933.4 · Auto Repair & Maint	105.96	105.96
933.5 · Insurance/Title/Fees	843.67	843.67
<b>Total 933 · Transportation Expenses (933)</b>	<b>3,442.34</b>	<b>3,442.34</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	2,479.23	2,479.23
935.3 · Equipment Other	185.50	185.50
935.4 · Storage Rental - Equipment	1,880.00	1,880.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>4,544.73</b>	<b>4,544.73</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>136,438.07</b>	<b>136,438.07</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>139,861.26</b>	<b>139,861.26</b>
<b>403 · Depr &amp; Depl Expense</b>	<b>59,700.00</b>	<b>59,700.00</b>
<b>408 · Taxes Other than Income</b>		
408.5 · State (Sales) Taxes	0.00	0.00
408.1 · Payroll Taxes	6,031.91	6,031.91
408.2 · Property Taxes	19,698.86	19,698.86
<b>Total 408 · Taxes Other than Income</b>	<b>25,730.77</b>	<b>25,730.77</b>
999.1 · Miscellaneous	282.59	282.59
<b>Total Expense</b>	<b>225,574.62</b>	<b>225,574.62</b>
<b>Net Ordinary Income</b>	<b>-91,736.30</b>	<b>-91,736.30</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2002

	<u>Jan - Mar 02</u>	<u>Jan - Mar 02</u>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
415 · Interest/Dividend Income	0.00	0.00
418 · Interest - FUNB	152.10	152.10
<b>Total 415-418 · Nonutility Income</b>	<u>152.10</u>	<u>152.10</u>
<b>Total Other Income</b>	152.10	152.10
<b>Other Expense</b>		
431 · Other Interest Expense		
431.2 · Interest expense - customer dep	57.00	57.00
431.3 · Interest - Vehicle Loans	794.03	794.03
431.4 · Interest-Note Payable	18,424.01	18,424.01
<b>Total 431 · Other Interest Expense</b>	<u>19,275.04</u>	<u>19,275.04</u>
<b>Total Other Expense</b>	<u>19,275.04</u>	<u>19,275.04</u>
<b>Net Other Income</b>	<u>-19,122.94</u>	<u>-19,122.94</u>
<b>Net Income</b>	<u><u>-110,859.24</u></u>	<u><u>-110,859.24</u></u>

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2002

	Apr - Jun 02	Jan - Jun 02
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	16,690.16	88,387.97
480.2 · Commercial Sales	13,259.06	40,290.53
480.3 · Industrial Sales	1,020.44	14,673.52
480.4 · Public Sales	19,597.18	98,734.40
<b>Total 480 · Ultimate Consumers</b>	<u>50,566.84</u>	<u>242,086.42</u>
<b>Total 4800 · Operating Revenues</b>	50,566.84	242,086.42
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	1,637.13	3,027.73
488.3 · Hook up fees collected	669.76	2,041.05
<b>Total 488.1 · Misc Service Revenues</b>	<u>2,306.89</u>	<u>5,068.78</u>
495 · Other Gas Revenues-Transportati	42,875.00	70,202.00
<b>Total 484 · Other Operating Revenue</b>	<u>45,181.89</u>	<u>75,270.78</u>
<b>Total Income</b>	95,748.73	317,357.20
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	15,117.91	93,272.91
730.4 · Compressor Rent	14,711.97	23,933.97
730.6 · Compressor Maintenance, Supplie	360.45	753.60
<b>Total 730 · Cost of Goods Sold</b>	<u>30,190.33</u>	<u>117,960.48</u>
<b>Total COGS</b>	<u>30,190.33</u>	<u>117,960.48</u>
<b>Gross Profit</b>	65,558.40	199,396.72
<b>Expense</b>		
6999 · Uncategorized Expenses	0.00	0.00
900 · Tot Gas Oper & Maint Exp		
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	831.58	831.58
904 · Uncollectible Accounts	1,500.00	3,000.00
<b>Total 900.1 · Customer Accounts Expense</b>	<u>2,331.58</u>	<u>3,831.58</u>
907 · Cust Svc & Info Expenses		
908 · New Customer Hookup Expense		
908.2 · Materials		
908.2.1 · El's etc	145.74	145.74
908.2.3 · Pipe	246.76	246.76
908.2 · Materials - Other	3,074.30	4,997.49
<b>Total 908.2 · Materials</b>	<u>3,466.80</u>	<u>5,389.99</u>
<b>Total 908 · New Customer Hookup Expense</b>	<u>3,466.80</u>	<u>5,389.99</u>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	3,466.80	5,389.99
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	60.00	10,135.00
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	28,319.76	71,936.97
<b>Total 920.1 · Admin &amp; General Salaries (9...</b>	<u>28,319.76</u>	<u>71,936.97</u>
920.4 · Management fees	45,000.00	90,000.00

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2002

	Apr - Jun 02	Jan - Jun 02
<b>921 · Office Supplies/Expense (921)</b>		
921.3.2 · Computer Expense	660.00	3,159.96
921.4 · Telephone	2,824.63	4,933.27
921.3.7 · Postage/FedEx	339.08	859.91
921.3.1 · Bank Service Charges	54.00	174.78
921.1 · Office Supplies	1,682.61	2,932.82
921.2 · Office Cleaning	379.50	850.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>5,939.82</b>	<b>12,910.74</b>
<b>923 · Outside Services (923)</b>		
923.1 · Engineering Services	14,571.77	14,711.77
923.2 · Accounting Fees	232.82	433.98
923.5 · Other-Labor	395.26	1,455.26
923.6 · Legal Fee & Professional Fees	0.00	144.00
<b>Total 923 · Outside Services (923)</b>	<b>15,199.85</b>	<b>16,745.01</b>
<b>925 · Injuries &amp; Damages</b>		
925.2 · Insurance - Liability	330.31	978.53
925.4 · Insurance - Workmans' Comp	1,367.85	3,762.36
<b>Total 925 · Injuries &amp; Damages</b>	<b>1,698.16</b>	<b>4,740.89</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	2,339.05	4,550.86
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>2,339.05</b>	<b>4,550.86</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	748.36	748.36
928.2 · Licenses	408.00	408.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>1,156.36</b>	<b>1,156.36</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	207.00	257.00
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>207.00</b>	<b>257.00</b>
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	10,480.60	14,645.14
930.4.1 · Employee Annual Meeting	0.00	1,437.00
930.3.1 · Bank Service/Check Charges	191.85	154.85
930.3.3 · Donations	0.00	100.00
930.3.4 · Dues and Subscriptions	3.60	646.60
930.3.5 · Employee Drug Testing Service	0.00	45.00
930.3.7 · Postage/Fedex	110.00	318.04
930.3.8 · Repairs & Maintenance	106.50	106.50
930.3.9 · Supplies	67.02	213.26
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	358.71	358.71
930.5.3 · Travel	2,816.13	10,091.59
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>3,174.84</b>	<b>10,450.30</b>
930.6 · Utilities	542.17	1,598.06
930.6.1 · Termite Control - Office	96.80	96.80
<b>Total 930.3 · Misc General Exp</b>	<b>14,773.38</b>	<b>29,811.55</b>
<b>931 · Rents (931)</b>	<b>0.00</b>	<b>900.00</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	1,266.79	3,552.44
933.3 · Auto Taxes	24.00	231.06
933.4 · Auto Repair & Maint	641.25	747.21
933.5 · Insurance/Title/Fees	1,040.91	1,884.58
<b>Total 933 · Transportation Expenses (933)</b>	<b>2,972.95</b>	<b>6,415.29</b>

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**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2002

	Apr - Jun 02	Jan - Jun 02
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	10,116.09	12,595.32
935.3 · Equipment Other	0.00	185.50
935.4 · Storage Rental - Equipment	1,320.00	3,200.00
<b>Total 935 · Maint of General Plant (935)</b>	<u>11,436.09</u>	<u>15,980.82</u>
<b>Total 920 · Admin &amp; Gen Expense</b>	<u>129,102.42</u>	<u>265,540.49</u>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	134,900.80	274,762.06
<b>403 · Depr &amp; Depl Expense</b>	59,700.00	119,400.00
<b>408 · Taxes Other than Income</b>		
408.5 · State (Sales) Taxes	0.00	0.00
408.4 · Utility (School) Taxes	0.00	0.00
408.1 · Payroll Taxes	3,352.82	9,384.73
408.2 · Property Taxes	0.00	19,698.86
<b>Total 408 · Taxes Other than Income</b>	<u>3,352.82</u>	<u>29,083.59</u>
<b>999.1 · Miscellaneous</b>	73.16	355.75
<b>Total Expense</b>	<u>198,026.78</u>	<u>423,601.40</u>
<b>Net Ordinary Income</b>	-132,468.38	-224,204.68
<b>Other Income/Expense</b>		
<b>Other Income</b>		
<b>415-418 · Nonutility Income</b>		
415 · Interest/Dividend Income	5.72	5.72
418 · Interest - FUNB	39.62	191.72
<b>Total 415-418 · Nonutility Income</b>	<u>45.34</u>	<u>197.44</u>
<b>Total Other Income</b>	45.34	197.44
<b>Other Expense</b>		
<b>431 · Other Interest Expense</b>		
431.2 · Interest expense - customer dep	48.00	105.00
431.3 · Interest - Vehicle Loans	1,245.64	2,039.67
431.4 · Interest-Note Payable	15,096.92	33,520.93
<b>Total 431 · Other Interest Expense</b>	<u>16,390.56</u>	<u>35,665.60</u>
<b>Total Other Expense</b>	<u>16,390.56</u>	<u>35,665.60</u>
<b>Net Other Income</b>	-16,345.22	-35,468.16
<b>Net Income</b>	<u><u>-148,813.60</u></u>	<u><u>-259,672.84</u></u>

**Citipower, L. L. C.**  
**Profit & Loss**  
 July through September 2002

	Jul - Sep 02	Jan - Sep 02
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	7,177.54	95,565.51
480.2 · Commercial Sales	11,398.83	51,689.36
480.3 · Industrial Sales	87.09	14,760.61
480.4 · Public Sales	15,463.12	114,197.52
<b>Total 480 · Ultimate Consumers</b>	<b>34,126.58</b>	<b>276,213.00</b>
<b>Total 4800 · Operating Revenues</b>	<b>34,126.58</b>	<b>276,213.00</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	339.59	3,367.32
488.3 · Hook up fees collected	1,700.00	3,741.05
<b>Total 488.1 · Misc Service Revenues</b>	<b>2,039.59</b>	<b>7,108.37</b>
495 · Other Gas Revenues-Transportati	22,084.56	92,286.56
<b>Total 484 · Other Operating Revenue</b>	<b>24,124.15</b>	<b>99,394.93</b>
<b>Total Income</b>	<b>58,250.73</b>	<b>375,607.93</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	10,532.68	103,805.59
730.4 · Compressor Rent	9,251.00	33,184.97
730.6 · Compressor Maintenance, Supplie	335.62	1,089.22
<b>Total 730 · Cost of Goods Sold</b>	<b>20,119.30</b>	<b>138,079.78</b>
<b>Total COGS</b>	<b>20,119.30</b>	<b>138,079.78</b>
<b>Gross Profit</b>	<b>38,131.43</b>	<b>237,528.15</b>
<b>Expense</b>		
6999 · Uncategorized Expenses	0.00	0.00
900 · Tot Gas Oper & Maint Exp		
880 · Distribution Expenses		
880.1 · Maintenance of Mains	500.00	500.00
<b>Total 880 · Distribution Expenses</b>	<b>500.00</b>	<b>500.00</b>
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	2,270.35	3,101.93
904 · Uncollectible Accounts	1,500.00	4,500.00
<b>Total 900.1 · Customer Accounts Expense</b>	<b>3,770.35</b>	<b>7,601.93</b>
907 · Cust Svc & Info Expenses		
907.1 · Customer Repair/Maintenance		
907.4 · Meter Service	92.00	92.00
<b>Total 907.1 · Customer Repair/Maintenance</b>	<b>92.00</b>	<b>92.00</b>
908 · New Customer Hookup Expense		
908.2 · Materials		
908.2.1 · EI's etc	1,518.55	1,664.29
908.2.2 · Meters	1,987.90	1,987.90
908.2.3 · Pipe	1,142.44	1,389.20
908.2 · Materials - Other	1,715.96	6,713.45
<b>Total 908.2 · Materials</b>	<b>6,364.85</b>	<b>11,754.84</b>
<b>Total 908 · New Customer Hookup Expen...</b>	<b>6,364.85</b>	<b>11,754.84</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>6,456.85</b>	<b>11,846.84</b>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	1,412.91	11,547.91

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2002

	Jul - Sep 02	Jan - Sep 02
<b>920.1 · Admin &amp; General Salaries (920)</b>		
<b>6560 · Payroll Expenses</b>	24,684.40	96,621.37
<b>Total 920.1 · Admin &amp; General Salaries (9...</b>	24,684.40	96,621.37
<b>920.4 · Management fees</b>	45,000.00	135,000.00
<b>921 · Office Supplies/Expense (921)</b>		
<b>921.3.2 · Computer Expense</b>	549.45	3,709.41
<b>921.4 · Telephone</b>	2,074.78	7,008.05
<b>921.3.7 · Postage/FedEx</b>	598.24	1,458.15
<b>921.3.1 · Bank Service Charges</b>	44.22	219.00
<b>921.1 · Office Supplies</b>	388.05	3,320.87
<b>921.2 · Office Cleaning</b>	355.00	1,205.00
<b>Total 921 · Office Supplies/Expense (921)</b>	4,009.74	16,920.48
<b>923 · Outside Services (923)</b>		
<b>923.7 · Training &amp; Education</b>	1,995.00	1,995.00
<b>923.1 · Engineering Services</b>	14,662.55	29,374.32
<b>923.2 · Accounting Fees</b>	558.36	992.34
<b>923.5 · Other-Labor</b>	291.39	1,746.65
<b>923.6 · Legal Fee &amp; Professional Fees</b>	8,947.69	9,091.69
<b>Total 923 · Outside Services (923)</b>	26,454.99	43,200.00
<b>925 · Injuries &amp; Damages</b>		
<b>925.1 · Property Insurance</b>	783.75	783.75
<b>925.2 · Insurance - Liability</b>	518.82	1,497.35
<b>925.3 · Insurance - Life</b>	39.48	39.48
<b>925.4 · Insurance - Workmans' Comp</b>	795.47	4,557.83
<b>Total 925 · Injuries &amp; Damages</b>	2,137.52	6,878.41
<b>926 · Employee Pension/Benefit (926)</b>		
<b>926.5 · Insurance-Medical</b>	2,144.24	6,695.10
<b>Total 926 · Employee Pension/Benefit (926)</b>	2,144.24	6,695.10
<b>928 · Regulatory Comm Expenses (928)</b>		
<b>928.1 · PSC Assessment</b>	0.00	748.36
<b>928.2 · Licenses</b>	20.00	428.00
<b>Total 928 · Regulatory Comm Expenses (...)</b>	20.00	1,176.36
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
<b>930.1 · Advertising</b>	174.06	431.06
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	174.06	431.06
<b>930.3 · Misc General Exp</b>		
<b>930.4.2 · Investor Annual Meeting</b>	0.00	14,645.14
<b>930.4.1 · Employee Annual Meeting</b>	0.00	1,437.00
<b>930.3.1 · Bank Service/Check Charges</b>	62.88	217.73
<b>930.3.3 · Donations</b>	0.00	100.00
<b>930.3.4 · Dues and Subscriptions</b>	1,525.00	2,171.60
<b>930.3.5 · Employee Drug Testing Service</b>	0.00	45.00
<b>930.3.7 · Postage/Fedex</b>	46.00	364.04
<b>930.3.8 · Repairs &amp; Maintenance</b>	0.00	106.50
<b>930.3.9 · Supplies</b>	108.79	322.05
<b>930.5 · Travel &amp; Entertainment</b>		
<b>930.5.1 · Meals/Entertainment</b>	390.00	748.71
<b>930.5.3 · Travel</b>	530.90	10,622.49
<b>Total 930.5 · Travel &amp; Entertainment</b>	920.90	11,371.20
<b>930.6 · Utilities</b>	890.64	2,488.70
<b>930.6.1 · Termite Control - Office</b>	96.80	193.60
<b>Total 930.3 · Misc General Exp</b>	3,651.01	33,462.56
<b>931 · Rents (931)</b>	200.00	1,100.00



**Citipower, L. L. C.**  
**Profit & Loss**  
 July through September 2002

	Jul - Sep 02	Jan - Sep 02
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	886.40	4,438.84
933.3 · Auto Taxes	0.00	231.06
933.4 · Auto Repair & Maint	163.71	910.92
933.5 · Insurance/Title/Fees	581.00	2,465.58
<b>Total 933 · Transportation Expenses (933)</b>	<b>1,631.11</b>	<b>8,046.40</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	600.05	13,195.37
935.3 · Equipment Other	148.27	333.77
935.4 · Storage Rental - Equipment	1,320.00	4,520.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>2,068.32</b>	<b>18,049.14</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>113,588.30</b>	<b>379,128.79</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>124,315.50</b>	<b>399,077.56</b>
<b>403 · Depr &amp; Depl Expense</b>	<b>59,700.00</b>	<b>179,100.00</b>
<b>408 · Taxes Other than Income</b>		
408.5 · State (Sales) Taxes	0.00	0.00
408.4 · Utility (School) Taxes	0.00	0.00
408.1 · Payroll Taxes	2,102.41	11,487.14
408.2 · Property Taxes	600.93	20,299.79
<b>Total 408 · Taxes Other than Income</b>	<b>2,703.34</b>	<b>31,786.93</b>
<b>999.1 · Miscellaneous</b>	<b>0.00</b>	<b>355.75</b>
<b>Total Expense</b>	<b>186,718.84</b>	<b>610,320.24</b>
<b>Net Ordinary Income</b>	<b>-148,587.41</b>	<b>-372,792.09</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
415 · Interest/Dividend Income	0.00	5.72
418 · Interest - FUNB	19.02	210.74
<b>Total 415-418 · Nonutility Income</b>	<b>19.02</b>	<b>216.46</b>
<b>Total Other Income</b>	<b>19.02</b>	<b>216.46</b>
<b>Other Expense</b>		
431 · Other Interest Expense		
431.2 · Interest expense - customer dep	6.00	111.00
431.3 · Interest - Vehicle Loans	0.00	2,039.67
431.4 · Interest-Note Payable	10,527.69	44,048.62
<b>Total 431 · Other Interest Expense</b>	<b>10,533.69</b>	<b>46,199.29</b>
<b>Total Other Expense</b>	<b>10,533.69</b>	<b>46,199.29</b>
<b>Net Other Income</b>	<b>-10,514.67</b>	<b>-45,982.83</b>
<b>Net Income</b>	<b>-159,102.08</b>	<b>-418,774.92</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 2002

	Oct - Dec 02	Jan - Dec 02
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	94,670.76	190,236.27
480.2 · Commercial Sales	22,532.98	74,222.34
480.3 · Industrial Sales	11,460.29	26,220.90
480.4 · Public Sales	56,702.34	170,899.86
<b>Total 480 · Ultimate Consumers</b>	<b>185,366.37</b>	<b>461,579.37</b>
<b>Total 4800 · Operating Revenues</b>	<b>185,366.37</b>	<b>461,579.37</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	795.86	4,163.18
488.3 · Hook up fees collected	2,263.57	6,004.62
<b>Total 488.1 · Misc Service Revenues</b>	<b>3,059.43</b>	<b>10,167.80</b>
495 · Other Gas Revenues-Transportati	23,606.25	115,892.81
<b>Total 484 · Other Operating Revenue</b>	<b>26,665.68</b>	<b>126,060.61</b>
<b>Total Income</b>	<b>212,032.05</b>	<b>587,639.98</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	86,819.40	190,624.99
730.4 · Compressor Rent	9,309.00	42,493.97
730.6 · Compressor Maintenance, Supplie	2,685.64	3,774.86
<b>Total 730 · Cost of Goods Sold</b>	<b>98,814.04</b>	<b>236,893.82</b>
<b>Total COGS</b>	<b>98,814.04</b>	<b>236,893.82</b>
<b>Gross Profit</b>	<b>113,218.01</b>	<b>350,746.16</b>
<b>Expense</b>		
6999 · Uncategorized Expenses	0.00	0.00
900 · Tot Gas Oper & Maint Exp		
880 · Distribution Expenses		
880.2 · Rents & Easements	342.00	342.00
880.1 · Maintenance of Mains	5,202.50	5,702.50
<b>Total 880 · Distribution Expenses</b>	<b>5,544.50</b>	<b>6,044.50</b>
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	2,513.27	5,615.20
904 · Uncollectible Accounts	2,746.19	7,246.19
<b>Total 900.1 · Customer Accounts Expense</b>	<b>5,259.46</b>	<b>12,861.39</b>
907 · Cust Svc & Info Expenses		
907.1 · Customer Repair/Maintenance		
907.3 · Materials	325.75	325.75
907.4 · Meter Service	0.00	92.00
<b>Total 907.1 · Customer Repair/Maintenance</b>	<b>325.75</b>	<b>417.75</b>
908 · New Customer Hookup Expense		
908.2 · Materials		
908.2.1 · EI's etc	630.06	2,294.35
908.2.2 · Meters	1,436.26	3,424.16
908.2.3 · Pipe	2,953.72	4,342.92
908.2 · Materials - Other	117.74	6,831.19
<b>Total 908.2 · Materials</b>	<b>5,137.78</b>	<b>16,892.62</b>
<b>Total 908 · New Customer Hookup Expense</b>	<b>5,137.78</b>	<b>16,892.62</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>5,463.53</b>	<b>17,310.37</b>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	22,793.62	34,341.53
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	30,462.43	127,083.80
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<b>30,462.43</b>	<b>127,083.80</b>
920.4 · Management fees		
920.4.1 · Compensation Expense	0.00	0.00
920.4.2 · Consulting Expense	0.00	0.00
920.4 · Management fees - Other	45,000.00	180,000.00
<b>Total 920.4 · Management fees</b>	<b>45,000.00</b>	<b>180,000.00</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 2002

	Oct - Dec 02	Jan - Dec 02
<b>921 · Office Supplies/Expense (921)</b>		
921.3.2 · Computer Expense	2,500.00	6,209.41
921.4 · Telephone	2,114.06	9,122.11
921.3.7 · Postage/FedEx	1,050.14	2,508.29
921.3.1 · Bank Service Charges	0.00	219.00
921.1 · Office Supplies	1,179.09	4,499.96
921.2 · Office Cleaning	420.00	1,625.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>7,263.29</b>	<b>24,183.77</b>
<b>923 · Outside Services (923)</b>		
923.7 · Training & Education	4,483.54	6,478.54
923.1 · Engineering Services	25,189.86	54,564.18
923.2 · Accounting Fees	1,795.92	2,788.26
923.5 · Other-Labor	736.42	2,483.07
923.6 · Legal Fee & Professional Fees	19,350.77	28,442.46
<b>Total 923 · Outside Services (923)</b>	<b>51,556.51</b>	<b>94,756.51</b>
<b>925 · Injuries &amp; Damages</b>		
925.1 · Property Insurance	745.01	1,528.76
925.2 · Insurance - Liability	3,961.03	5,458.38
925.3 · Insurance - Life	120.38	159.86
925.4 · Insurance - Workmans' Comp	1,641.30	6,199.13
<b>Total 925 · Injuries &amp; Damages</b>	<b>6,467.72</b>	<b>13,346.13</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	1,548.94	8,244.04
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>1,548.94</b>	<b>8,244.04</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	0.00	748.36
928.2 · Licenses	133.00	561.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>133.00</b>	<b>1,309.36</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	533.41	964.47
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>533.41</b>	<b>964.47</b>
<b>930.3 · Misc General Exp</b>		
930.4.2 · Investor Annual Meeting	0.00	14,645.14
930.4.1 · Employee Annual Meeting	0.00	1,437.00
930.3.1 · Bank Service/Check Charges	69.78	287.51
930.3.3 · Donations	0.00	100.00
930.3.4 · Dues and Subscriptions	186.00	2,357.60
930.3.5 · Employee Drug Testing Service	195.00	240.00
930.3.6 · Equipment Storage	432.43	432.43
930.3.7 · Postage/Fedex	0.00	364.04
930.3.8 · Repairs & Maintenance	0.00	106.50
930.3.9 · Supplies	732.93	1,054.98
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	371.77	1,120.48
930.5.3 · Travel	637.77	11,260.26
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>1,009.54</b>	<b>12,380.74</b>
930.6 · Utilities	1,315.82	3,804.52
930.6.1 · Termite Control - Office	0.00	193.60
<b>Total 930.3 · Misc General Exp</b>	<b>3,941.50</b>	<b>37,404.06</b>
<b>931 · Rents (931)</b>	<b>632.00</b>	<b>1,732.00</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	1,145.90	5,584.74
933.3 · Auto Taxes	0.00	231.06
933.4 · Auto Repair & Maint	112.53	1,023.45
933.5 · Insurance/Title/Fees	1,632.31	4,097.89
<b>Total 933 · Transportation Expenses (933)</b>	<b>2,890.74</b>	<b>10,937.14</b>
<b>935 · Maint of General Plant (935)</b>		
935.1 · Equipment Repairs	0.00	13,195.37
935.3 · Equipment Other	257.24	591.01
935.4 · Storage Rental - Equipment	1,320.00	5,840.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>1,577.24</b>	<b>19,626.38</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>174,800.40</b>	<b>553,929.19</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>191,067.89</b>	<b>590,145.45</b>
<b>403 · Depr &amp; Depl Expense</b>	<b>59,807.00</b>	<b>238,907.00</b>

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**Citipower, L. L. C.**  
**Profit & Loss**  
 October through December 2002

	Oct - Dec 02	Jan - Dec 02
<b>408 · Taxes Other than Income</b>		
408.5 · State (Sales) Taxes	0.00	0.00
408.4 · Utility (School) Taxes	0.00	0.00
408.1 · Payroll Taxes	2,311.25	13,798.39
408.2 · Property Taxes	6,513.35	26,813.14
<b>Total 408 · Taxes Other than Income</b>	<b>8,824.60</b>	<b>40,611.53</b>
999.1 · Miscellaneous	441.23	796.98
<b>Total Expense</b>	<b>260,140.72</b>	<b>870,460.96</b>
<b>Net Ordinary Income</b>	<b>-146,922.71</b>	<b>-519,714.80</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418.1 · Equity in Earnings of LBU, LLC	46,577.00	46,577.00
418.2 · Equity in Earnings of Citigas	9,606.07	9,606.07
415 · Interest/Dividend Income	0.00	5.72
418 · Interest - FUNB	0.83	211.57
<b>Total 415-418 · Nonutility Income</b>	<b>56,183.90</b>	<b>56,400.36</b>
421 · Misc Nonoperating Income	363,000.00	363,000.00
<b>Total Other Income</b>	<b>419,183.90</b>	<b>419,400.36</b>
<b>Other Expense</b>		
431 · Other Interest Expense		
431.2 · Interest expense - customer dep	90.00	201.00
431.3 · Interest - Vehicle Loans	840.50	2,880.17
431.4 · Interest-Note Payable	16,936.26	60,984.88
<b>Total 431 · Other Interest Expense</b>	<b>17,866.76</b>	<b>64,066.05</b>
<b>Total Other Expense</b>	<b>17,866.76</b>	<b>64,066.05</b>
<b>Net Other Income</b>	<b>401,317.14</b>	<b>355,334.31</b>
<b>Net Income</b>	<b>254,394.43</b>	<b>-164,380.49</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2003

	Jan - Mar 03	Jan - Mar 03
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	146,802.27	146,802.27
480.2 · Commercial Sales	45,614.96	45,614.96
480.3 · Industrial Sales	17,036.73	17,036.73
480.4 · Public Sales	87,669.38	87,669.38
<b>Total 480 · Ultimate Consumers</b>	<u>297,123.34</u>	<u>297,123.34</u>
<b>Total 4800 · Operating Revenues</b>	297,123.34	297,123.34
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	2,699.17	2,699.17
488.3 · Hook up fees collected	617.00	617.00
<b>Total 488.1 · Misc Service Revenues</b>	<u>3,316.17</u>	<u>3,316.17</u>
495 · Other Gas Revenues-Transportati	8,962.00	8,962.00
<b>Total 484 · Other Operating Revenue</b>	<u>12,278.17</u>	<u>12,278.17</u>
<b>Total Income</b>	309,401.51	309,401.51
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	219,042.04	219,042.04
730.4 · Compressor Rent	8,067.80	8,067.80
730.6 · Compressor Maintenance, Supplie	1,687.32	1,687.32
<b>Total 730 · Cost of Goods Sold</b>	<u>228,797.16</u>	<u>228,797.16</u>
<b>Total COGS</b>	<u>228,797.16</u>	<u>228,797.16</u>
<b>Gross Profit</b>	80,604.35	80,604.35
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
880 · Distribution Expenses		
880.1 · Maintenance of Mains	1,319.57	1,319.57
<b>Total 880 · Distribution Expenses</b>	<u>1,319.57</u>	<u>1,319.57</u>
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	3,933.34	3,933.34
904 · Uncollectible Accounts	2,025.00	2,025.00
<b>Total 900.1 · Customer Accounts Expense</b>	<u>5,958.34</u>	<u>5,958.34</u>
907 · Cust Svc & Info Expenses		
907.1 · Customer Repair/Maintenance		
907.3 · Materials	50.60	50.60
907.4 · Meter Service	165.48	165.48
907.6 · Other	150.00	150.00
<b>Total 907.1 · Customer Repair/Maintenance</b>	<u>366.08</u>	<u>366.08</u>
908 · New Customer Hookup Expense		
908.2 · Materials	929.99	929.99
<b>Total 908 · New Customer Hookup Expen...</b>	<u>929.99</u>	<u>929.99</u>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	1,296.07	1,296.07
920 · Admin & Gen Expense		
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	26,711.25	26,711.25
<b>Total 920.1 · Admin &amp; General Salaries (9...</b>	<u>26,711.25</u>	<u>26,711.25</u>

**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2003

	Jan - Mar 03	Jan - Mar 03
<b>920.4 · Management fees</b>		
920.4.2 · Consulting Expense	8,590.83	8,590.83
920.4 · Management fees - Other	45,000.00	45,000.00
<b>Total 920.4 · Management fees</b>	<b>53,590.83</b>	<b>53,590.83</b>
<b>921 · Office Supplies/Expense (921)</b>		
921.3.2 · Computer Expense	800.00	800.00
921.4 · Telephone	2,142.43	2,142.43
921.3.7 · Postage/FedEx	464.67	464.67
921.1 · Office Supplies	1,359.46	1,359.46
921.2 · Office Cleaning	420.00	420.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>5,186.56</b>	<b>5,186.56</b>
<b>923 · Outside Services (923)</b>		
923.7 · Training & Education	-310.00	-310.00
923.1 · Engineering Services	6,388.00	6,388.00
923.2 · Accounting Fees	12,323.60	12,323.60
923.3 · Contract Labor - Office	948.00	948.00
923.5 · Other-Labor	1,000.00	1,000.00
923.6 · Legal Fee & Professional Fees	406.50	406.50
<b>Total 923 · Outside Services (923)</b>	<b>20,756.10</b>	<b>20,756.10</b>
<b>925 · Injuries &amp; Damages</b>		
925.2 · Insurance - Liability	2,246.62	2,246.62
925.3 · Insurance - Life	161.80	161.80
925.4 · Insurance - Workmans' Comp	1,482.87	1,482.87
<b>Total 925 · Injuries &amp; Damages</b>	<b>3,891.29</b>	<b>3,891.29</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	1,927.27	1,927.27
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>1,927.27</b>	<b>1,927.27</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.2 · Licenses	100.00	100.00
<b>Total 928 · Regulatory Comm Expenses (...)</b>	<b>100.00</b>	<b>100.00</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	80.00	80.00
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>80.00</b>	<b>80.00</b>
<b>930.3 · Misc General Exp</b>		
930.3.1 · Bank Service/Check Charges	30.00	30.00
930.3.4 · Dues and Subscriptions	125.00	125.00
930.3.7 · Postage/Fedex	170.96	170.96
930.3.9 · Supplies	306.80	306.80
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	431.00	431.00
930.5.3 · Travel	187.56	187.56
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>618.56</b>	<b>618.56</b>
930.6 · Utilities	1,581.17	1,581.17
930.6.1 · Termite Control - Office	96.80	96.80
<b>Total 930.3 · Misc General Exp</b>	<b>2,929.29</b>	<b>2,929.29</b>
<b>931 · Rents (931)</b>		
931.1 · Rent - copier	207.19	207.19
931 · Rents (931) - Other	50.00	50.00
<b>Total 931 · Rents (931)</b>	<b>257.19</b>	<b>257.19</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	1,557.65	1,557.65
933.3 · Auto Taxes	251.61	251.61
933.4 · Auto Repair & Maint	514.16	514.16
933.5 · Insurance/Title/Fees	564.00	564.00
<b>Total 933 · Transportation Expenses (933)</b>	<b>2,887.42</b>	<b>2,887.42</b>

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**Citipower, L. L. C.**  
**Profit & Loss**  
January through March 2003

	Jan - Mar 03	Jan - Mar 03
<b>935 · Maint of General Plant (935)</b>		
935.2 · Ditchwitch	1,856.42	1,856.42
935.3 · Equipment Other	74.09	74.09
935.4 · Storage Rental - Equipment	1,920.00	1,920.00
<b>Total 935 · Maint of General Plant (935)</b>	<u>3,850.51</u>	<u>3,850.51</u>
<b>Total 920 · Admin &amp; Gen Expense</b>	<u>122,167.71</u>	<u>122,167.71</u>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	130,741.69	130,741.69
<b>403 · Depr &amp; Depl Expense</b>	56,250.00	56,250.00
<b>408 · Taxes Other than Income</b>		
408.1 · Payroll Taxes	4,114.53	4,114.53
408.2 · Property Taxes	27,108.78	27,108.78
<b>Total 408 · Taxes Other than Income</b>	<u>31,223.31</u>	<u>31,223.31</u>
<b>999.1 · Miscellaneous</b>	39.98	39.98
<b>Total Expense</b>	<u>218,254.98</u>	<u>218,254.98</u>
<b>Net Ordinary Income</b>	-137,650.63	-137,650.63
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418.2 · Equity in Earnings of Citigas	-280.00	-280.00
<b>Total 415-418 · Nonutility Income</b>	<u>-280.00</u>	<u>-280.00</u>
<b>Total Other Income</b>	-280.00	-280.00
<b>Other Expense</b>		
431 · Other Interest Expense		
431.2 · Interest expense - customer dep	47.25	47.25
431.3 · Interest - Vehicle Loans	614.49	614.49
431.4 · Interest-Note Payable	12,516.71	12,516.71
<b>Total 431 · Other Interest Expense</b>	<u>13,178.45</u>	<u>13,178.45</u>
<b>Total Other Expense</b>	<u>13,178.45</u>	<u>13,178.45</u>
<b>Net Other Income</b>	-13,458.45	-13,458.45
<b>Net Income</b>	<u><u>-151,109.08</u></u>	<u><u>-151,109.08</u></u>

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2003

	Apr - Jun 03	Jan - Jun 03
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	28,290.36	175,092.63
480.2 · Commercial Sales	15,373.40	60,988.36
480.3 · Industrial Sales	1,753.74	18,790.47
480.4 · Public Sales	109,024.13	196,693.51
<b>Total 480 · Ultimate Consumers</b>	<b>154,441.63</b>	<b>451,564.97</b>
<b>Total 4800 · Operating Revenues</b>	<b>154,441.63</b>	<b>451,564.97</b>
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		4,069.99
488.2 · Late Charges Collected	1,370.82	2,607.08
488.3 · Hook up fees collected	1,990.08	2,607.08
<b>Total 488.1 · Misc Service Revenues</b>	<b>3,360.90</b>	<b>6,677.07</b>
495 · Other Gas Revenues-Transportati	4,175.75	13,137.75
<b>Total 484 · Other Operating Revenue</b>	<b>7,536.65</b>	<b>19,814.82</b>
<b>Total Income</b>	<b>161,978.28</b>	<b>471,379.79</b>
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	77,562.12	296,604.16
730.4 · Compressor Rent	8,688.40	16,756.20
730.6 · Compressor Maintenance, Supplie	1,357.48	3,044.80
<b>Total 730 · Cost of Goods Sold</b>	<b>87,608.00</b>	<b>316,405.16</b>
<b>Total COGS</b>	<b>87,608.00</b>	<b>316,405.16</b>
<b>Gross Profit</b>	<b>74,370.28</b>	<b>154,974.63</b>
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
880 · Distribution Expenses		
880.2 · Rents & Easements	2,400.00	2,400.00
880.1 · Maintenance of Mains	256.50	1,576.07
<b>Total 880 · Distribution Expenses</b>	<b>2,656.50</b>	<b>3,976.07</b>
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	2,186.91	6,120.25
904 · Uncollectible Accounts	2,025.00	4,050.00
<b>Total 900.1 · Customer Accounts Expense</b>	<b>4,211.91</b>	<b>10,170.25</b>
907 · Cust Svc & Info Expenses		
907.1 · Customer Repair/Maintenance		
907.3 · Materials	0.00	50.60
907.4 · Meter Service	50.00	215.48
907.6 · Other	0.00	150.00
<b>Total 907.1 · Customer Repair/Maintenance</b>	<b>50.00</b>	<b>416.08</b>
908 · New Customer Hookup Expense		
908.2 · Materials		
908.2.2 · Meters	2,375.21	2,375.21
908.2.3 · Pipe	1,168.89	1,168.89
908.2 · Materials - Other	433.15	1,363.14
<b>Total 908.2 · Materials</b>	<b>3,977.25</b>	<b>4,907.24</b>
<b>Total 908 · New Customer Hookup Expen...</b>	<b>3,977.25</b>	<b>4,907.24</b>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	<b>4,027.25</b>	<b>5,323.32</b>
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	518.00	518.00



**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2003

	Apr - Jun 03	Jan - Jun 03
<b>920.1 · Admin &amp; General Salaries (920)</b>		
6560 · Payroll Expenses	30,455.02	57,166.27
<b>Total 920.1 · Admin &amp; General Salaries (9...</b>	30,455.02	57,166.27
<b>920.4 · Management fees</b>		
920.4.2 · Consulting Expense	6,180.43	14,771.26
920.4 · Management fees - Other	45,000.00	90,000.00
<b>Total 920.4 · Management fees</b>	51,180.43	104,771.26
<b>921 · Office Supplies/Expense (921)</b>		
921.5 · Uniforms	340.20	340.20
921.3.2 · Computer Expense	211.99	1,011.99
921.4 · Telephone	2,349.82	4,492.25
921.3.7 · Postage/FedEx	757.58	1,222.25
921.1 · Office Supplies	443.14	1,802.60
921.2 · Office Cleaning	455.00	875.00
<b>Total 921 · Office Supplies/Expense (921)</b>	4,557.73	9,744.29
<b>923 · Outside Services (923)</b>		
923.7 · Training & Education	0.00	-310.00
923.1 · Engineering Services	2,501.50	8,889.50
923.2 · Accounting Fees	232.82	12,556.42
923.3 · Contract Labor - Office	455.00	1,403.00
923.5 · Other-Labor	0.00	1,000.00
923.6 · Legal Fee & Professional Fees	1,104.30	1,510.80
<b>Total 923 · Outside Services (923)</b>	4,293.62	25,049.72
<b>925 · Injuries &amp; Damages</b>		
925.2 · Insurance - Liability	2,509.58	4,756.20
925.3 · Insurance - Life	121.35	283.15
925.4 · Insurance - Workmans' Comp	24.88	1,507.75
<b>Total 925 · Injuries &amp; Damages</b>	2,655.81	6,547.10
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	2,964.13	4,891.40
<b>Total 926 · Employee Pension/Benefit (926)</b>	2,964.13	4,891.40
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	1,071.27	1,071.27
928.2 · Licenses	0.00	100.00
<b>Total 928 · Regulatory Comm Expenses (...)</b>	1,071.27	1,171.27
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	831.74	911.74
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	831.74	911.74
<b>930.3 · Misc General Exp</b>		
930.3.1 · Bank Service/Check Charges	52.75	82.75
930.3.2 · Computer Repair & Maint	33.91	33.91
930.3.3 · Donations	75.00	75.00
930.3.4 · Dues and Subscriptions	107.42	232.42
930.3.7 · Postage/Fedex	0.00	170.96
930.3.9 · Supplies	154.72	461.52
930.5 · Travel & Entertainment		
930.5.1 · Meals/Entertainment	411.27	842.27
930.5.3 · Travel	794.95	982.51
<b>Total 930.5 · Travel &amp; Entertainment</b>	1,206.22	1,824.78
930.6 · Utilities	1,189.65	2,770.82
930.6.1 · Termite Control - Office	201.34	298.14
<b>Total 930.3 · Misc General Exp</b>	3,021.01	5,950.30

**Citipower, L. L. C.**  
**Profit & Loss**  
April through June 2003

	Apr - Jun 03	Jan - Jun 03
<b>931 · Rents (931)</b>		
931.1 · Rent - copier	473.07	680.26
931 · Rents (931) - Other	432.00	482.00
<b>Total 931 · Rents (931)</b>	905.07	1,162.26
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	1,025.10	2,582.75
933.3 · Auto Taxes	0.00	251.61
933.4 · Auto Repair & Maint	649.72	1,163.88
933.5 · Insurance/Title/Fees	2,157.68	2,721.68
<b>Total 933 · Transportation Expenses (933)</b>	3,832.50	6,719.92
<b>935 · Maint of General Plant (935)</b>		
935.2 · Ditchwitch	0.00	1,856.42
935.3 · Equipment Other	0.00	74.09
935.4 · Storage Rental - Equipment	1,320.00	3,240.00
<b>Total 935 · Maint of General Plant (935)</b>	1,320.00	5,170.51
<b>Total 920 · Admin &amp; Gen Expense</b>	107,606.33	229,774.04
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	118,501.99	249,243.68
<b>403 · Depr &amp; Depl Expense</b>	56,250.00	112,500.00
<b>408 · Taxes Other than Income</b>		
408.9 · Other taxes	-179.63	-179.63
408.1 · Payroll Taxes	1,492.58	5,607.11
408.2 · Property Taxes	0.00	27,108.78
<b>Total 408 · Taxes Other than Income</b>	1,312.95	32,536.26
<b>999.1 · Miscellaneous</b>	34.98	74.96
<b>Total Expense</b>	176,099.92	394,354.90
<b>Net Ordinary Income</b>	-101,729.64	-239,380.27
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418.2 · Equity in Earnings of Citigas	0.00	-280.00
<b>Total 415-418 · Nonutility Income</b>	0.00	-280.00
<b>Total Other Income</b>	0.00	-280.00
<b>Other Expense</b>		
<b>431 · Other Interest Expense</b>		
431.2 · Interest expense - customer dep	0.00	47.25
431.3 · Interest - Vehicle Loans	575.11	1,189.60
431.4 · Interest-Note Payable	12,108.56	24,625.27
<b>Total 431 · Other Interest Expense</b>	12,683.67	25,862.12
<b>Total Other Expense</b>	12,683.67	25,862.12
<b>Net Other Income</b>	-12,683.67	-26,142.12
<b>Net Income</b>	-114,413.31	-265,522.39

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**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2003

	Jul - Sep 03	Jan - Sep 03
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	19,183.45	194,276.08
480.2 · Commercial Sales	14,353.35	75,341.71
480.3 · Industrial Sales	104.24	18,894.71
480.4 · Public Sales	98,983.91	295,677.42
<b>Total 480 · Ultimate Consumers</b>	<u>132,624.95</u>	<u>584,189.92</u>
<b>Total 4800 · Operating Revenues</b>	132,624.95	584,189.92
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	524.84	4,594.83
488.3 · Hook up fees collected	1,275.00	3,882.08
<b>Total 488.1 · Misc Service Revenues</b>	<u>1,799.84</u>	<u>8,476.91</u>
495 · Other Gas Revenues-Transportati	11,794.62	24,932.37
<b>Total 484 · Other Operating Revenue</b>	<u>13,594.46</u>	<u>33,409.28</u>
<b>Total Income</b>	146,219.41	617,599.20
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	49,086.77	345,690.93
730.4 · Compressor Rent	9,309.00	26,065.20
730.6 · Compressor Maintenance, Supplie	2,879.59	5,924.39
<b>Total 730 · Cost of Goods Sold</b>	<u>61,275.36</u>	<u>377,680.52</u>
<b>Total COGS</b>	61,275.36	377,680.52
<b>Gross Profit</b>	84,944.05	239,918.68
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
880 · Distribution Expenses		
880.2 · Rents & Easements	2,225.00	4,625.00
880.1 · Maintenance of Mains	1,700.00	3,276.07
<b>Total 880 · Distribution Expenses</b>	<u>3,925.00</u>	<u>7,901.07</u>
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	593.46	6,713.71
904 · Uncollectible Accounts	2,025.00	6,075.00
<b>Total 900.1 · Customer Accounts Expense</b>	<u>2,618.46</u>	<u>12,788.71</u>
907 · Cust Svc & Info Expenses		
907.1 · Customer Repair/Maintenance		
907.3 · Materials	0.00	50.60
907.4 · Meter Service	0.00	215.48
907.6 · Other	150.00	300.00
<b>Total 907.1 · Customer Repair/Maintenance</b>	<u>150.00</u>	<u>566.08</u>
908 · New Customer Hookup Expense		
908.2 · Materials		
908.2.2 · Meters	1,109.50	3,484.71
908.2.3 · Pipe	1,272.88	2,441.77
908.2 · Materials - Other	96.84	1,459.98
<b>Total 908.2 · Materials</b>	<u>2,479.22</u>	<u>7,386.46</u>
<b>Total 908 · New Customer Hookup Expense</b>	<u>2,479.22</u>	<u>7,386.46</u>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	2,629.22	7,952.54
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	28,367.50	28,885.50
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	26,334.66	83,500.93
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<u>26,334.66</u>	<u>83,500.93</u>
920.4 · Management fees		
920.4.2 · Consulting Expense	8,030.00	22,801.26
920.4 · Management fees - Other	35,000.00	125,000.00
<b>Total 920.4 · Management fees</b>	<u>43,030.00</u>	<u>147,801.26</u>

**Citipower, L. L. C.**  
**Profit & Loss**  
July through September 2003

	Jul - Sep 03	Jan - Sep 03
<b>921 · Office Supplies/Expense (921)</b>		
921.5 · Uniforms	684.96	1,025.16
921.3.2 · Computer Expense	0.00	1,011.99
921.4 · Telephone	3,123.68	7,615.93
921.3.7 · Postage/FedEx	438.75	1,661.00
921.3.1 · Bank Service Charges	30.71	30.71
921.1 · Office Supplies	283.88	2,086.48
921.2 · Office Cleaning	245.00	1,120.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>4,806.98</b>	<b>14,551.27</b>
<b>923 · Outside Services (923)</b>		
923.7 · Training & Education	350.00	40.00
923.1 · Engineering Services	15,160.00	24,049.50
923.2 · Accounting Fees	211.26	12,767.68
923.3 · Contract Labor - Office	1,921.50	3,324.50
923.5 · Other-Labor	4.28	1,004.28
923.6 · Legal Fee & Professional Fees	1,075.64	2,586.44
<b>Total 923 · Outside Services (923)</b>	<b>18,722.68</b>	<b>43,772.40</b>
<b>925 · Injuries &amp; Damages</b>		
925.1 · Property Insurance	816.79	816.79
925.2 · Insurance - Liability	2,458.95	7,215.15
925.3 · Insurance - Life	121.35	404.50
925.4 · Insurance - Workmans' Comp	1,666.16	3,173.91
<b>Total 925 · Injuries &amp; Damages</b>	<b>5,063.25</b>	<b>11,610.35</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	2,433.34	7,324.74
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>2,433.34</b>	<b>7,324.74</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	0.00	1,071.27
928.2 · Licenses	50.00	150.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>50.00</b>	<b>1,221.27</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	111.30	1,023.04
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>111.30</b>	<b>1,023.04</b>
<b>930.3 · Misc General Exp</b>		
930.3.1 · Bank Service/Check Charges	0.00	82.75
930.3.2 · Computer Repair & Maint	0.00	33.91
930.3.3 · Donations	0.00	75.00
930.3.4 · Dues and Subscriptions	0.00	232.42
930.3.7 · Postage/Fedex	236.33	407.29
930.3.9 · Supplies	198.71	660.23
<b>930.5 · Travel &amp; Entertainment</b>		
930.5.1 · Meals/Entertainment	193.00	1,035.27
930.5.3 · Travel	0.00	982.51
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>193.00</b>	<b>2,017.78</b>
<b>930.6 · Utilities</b>	<b>1,303.93</b>	<b>4,074.75</b>
930.6.1 · Termite Control - Office	0.00	298.14
<b>Total 930.3 · Misc General Exp</b>	<b>1,931.97</b>	<b>7,882.27</b>
<b>931 · Rents (931)</b>		
931.1 · Rent - copier	473.07	1,153.33
931 · Rents (931) - Other	0.00	482.00
<b>Total 931 · Rents (931)</b>	<b>473.07</b>	<b>1,635.33</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	881.18	3,463.93
933.3 · Auto Taxes	0.00	251.61
933.4 · Auto Repair & Maint	940.19	2,104.07
933.5 · Insurance/Title/Fees	848.59	3,570.27
<b>Total 933 · Transportation Expenses (933)</b>	<b>2,669.96</b>	<b>9,389.88</b>
<b>935 · Maint of General Plant (935)</b>		
935.2 · Ditchwitch	0.00	1,856.42
935.3 · Equipment Other	0.00	74.09
935.4 · Storage Rental - Equipment	1,320.00	4,560.00
<b>Total 935 · Maint of General Plant (935)</b>	<b>1,320.00</b>	<b>6,490.51</b>
<b>Total 920 · Admin &amp; Gen Expense</b>	<b>135,314.71</b>	<b>365,088.75</b>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	<b>144,487.39</b>	<b>393,731.07</b>

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**Citipower, L. L. C.**  
**Profit & Loss**  
 July through September 2003

	Jul - Sep 03	Jan - Sep 03
403 · Depr & Depl Expense	56,250.00	168,750.00
408 · Taxes Other than Income		
408.9 · Other taxes	250.00	70.37
408.1 · Payroll Taxes	2,014.59	7,621.70
408.2 · Property Taxes	0.00	27,108.78
<b>Total 408 · Taxes Other than Income</b>	<b>2,264.59</b>	<b>34,800.85</b>
999.1 · Miscellaneous	85.86	160.82
<b>Total Expense</b>	<b>203,087.84</b>	<b>597,442.74</b>
<b>Net Ordinary Income</b>	<b>-118,143.79</b>	<b>-357,524.06</b>
<b>Other Income/Expense</b>		
<b>Other Income</b>		
415-418 · Nonutility Income		
418.2 · Equity in Earnings of Citigas	0.00	-280.00
<b>Total 415-418 · Nonutility Income</b>	<b>0.00</b>	<b>-280.00</b>
<b>Total Other Income</b>	<b>0.00</b>	<b>-280.00</b>
<b>Other Expense</b>		
431 · Other Interest Expense		
431.2 · Interest expense - customer dep	3.00	50.25
431.3 · Interest - Vehicle Loans	521.78	1,711.38
431.4 · Interest-Note Payable	12,716.71	37,341.98
<b>Total 431 · Other Interest Expense</b>	<b>13,241.49</b>	<b>39,103.61</b>
<b>Total Other Expense</b>	<b>13,241.49</b>	<b>39,103.61</b>
<b>Net Other Income</b>	<b>-13,241.49</b>	<b>-39,383.61</b>
<b>Net Income</b>	<b>-131,385.28</b>	<b>-396,907.67</b>

**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 2003

	Oct - Dec 03	Jan - Dec 03
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4800 · Operating Revenues		
480 · Ultimate Consumers		
480.1 · Residential Sales	95,898.95	290,175.03
480.2 · Commercial Sales	38,691.31	114,033.02
480.3 · Industrial Sales	13,076.70	31,971.41
480.4 · Public Sales	238,710.35	534,387.77
<b>Total 480 · Ultimate Consumers</b>	<u>386,377.31</u>	<u>970,567.23</u>
<b>Total 4800 · Operating Revenues</b>	386,377.31	970,567.23
484 · Other Operating Revenue		
488.1 · Misc Service Revenues		
488.2 · Late Charges Collected	927.34	5,522.17
488.3 · Hook up fees collected	1,161.00	5,043.08
<b>Total 488.1 · Misc Service Revenues</b>	<u>2,088.34</u>	<u>10,565.25</u>
495 · Other Gas Revenues-Transportati	14,850.42	39,782.79
<b>Total 484 · Other Operating Revenue</b>	<u>16,938.76</u>	<u>50,348.04</u>
<b>Total Income</b>	403,316.07	1,020,915.27
<b>Cost of Goods Sold</b>		
730 · Cost of Goods Sold		
730.2 · Natural Gas	165,166.08	510,857.01
730.4 · Compressor Rent	12,909.00	38,974.20
730.6 · Compressor Maintenance, Supplie	786.98	6,711.37
<b>Total 730 · Cost of Goods Sold</b>	<u>178,862.06</u>	<u>556,542.58</u>
<b>Total COGS</b>	178,862.06	556,542.58
<b>Gross Profit</b>	224,454.01	464,372.69
<b>Expense</b>		
900 · Tot Gas Oper & Maint Exp		
880 · Distribution Expenses		
880.2 · Rents & Easements	1,825.00	6,450.00
880.1 · Maintenance of Mains	570.00	3,846.07
<b>Total 880 · Distribution Expenses</b>	<u>2,395.00</u>	<u>10,296.07</u>
900.1 · Customer Accounts Expense		
903 · Supplies & Expenses	1,140.45	7,854.16
904 · Uncollectible Accounts	2,025.00	8,100.00
<b>Total 900.1 · Customer Accounts Expense</b>	<u>3,165.45</u>	<u>15,954.16</u>
907 · Cust Svc & Info Expenses		
907.1 · Customer Repair/Maintenance		
907.3 · Materials	0.00	50.60
907.4 · Meter Service	0.00	215.48
907.6 · Other	100.00	400.00
<b>Total 907.1 · Customer Repair/Maintenance</b>	<u>100.00</u>	<u>666.08</u>
908 · New Customer Hookup Expense		
908.2 · Materials		
908.2.2 · Meters	0.00	3,484.71
908.2.3 · Pipe	1,672.09	4,113.86
908.2 · Materials - Other	903.40	2,363.38
<b>Total 908.2 · Materials</b>	<u>2,575.49</u>	<u>9,961.95</u>
<b>Total 908 · New Customer Hookup Expense</b>	<u>2,575.49</u>	<u>9,961.95</u>
<b>Total 907 · Cust Svc &amp; Info Expenses</b>	2,675.49	10,628.03
920 · Admin & Gen Expense		
920.5 · Citipower Offering Expense	39,532.50	68,418.00
920.1 · Admin & General Salaries (920)		
6560 · Payroll Expenses	31,068.89	114,569.82
<b>Total 920.1 · Admin &amp; General Salaries (920)</b>	<u>31,068.89</u>	<u>114,569.82</u>
920.4 · Management fees		
920.4.2 · Consulting Expense	8,583.47	31,384.73
920.4 · Management fees - Other	15,000.00	140,000.00
<b>Total 920.4 · Management fees</b>	<u>23,583.47</u>	<u>171,384.73</u>

**Citipower, L. L. C.**  
**Profit & Loss**  
October through December 2003

	Oct - Dec 03	Jan - Dec 03
<b>921 · Office Supplies/Expense (921)</b>		
921.5 · Uniforms	680.08	1,705.24
921.3.2 · Computer Expense	820.00	1,831.99
921.4 · Telephone	2,958.28	10,574.21
921.3.7 · Postage/FedEx	162.96	1,823.96
921.3.1 · Bank Service Charges	28.50	59.21
921.1 · Office Supplies	841.82	2,928.30
921.2 · Office Cleaning	185.00	1,305.00
<b>Total 921 · Office Supplies/Expense (921)</b>	<b>5,676.64</b>	<b>20,227.91</b>
<b>923 · Outside Services (923)</b>		
923.7 · Training & Education	0.00	40.00
923.1 · Engineering Services	0.00	24,049.50
923.2 · Accounting Fees	588.97	13,356.65
923.3 · Contract Labor - Office	2,877.00	6,201.50
923.5 · Other-Labor	9.62	1,013.90
923.6 · Legal Fee & Professional Fees	0.00	2,586.44
<b>Total 923 · Outside Services (923)</b>	<b>3,475.59</b>	<b>47,247.99</b>
<b>925 · Injuries &amp; Damages</b>		
925.1 · Property Insurance	849.02	1,665.81
925.2 · Insurance - Liability	0.00	7,215.15
925.3 · Insurance - Life	124.38	528.88
925.4 · Insurance - Workmans' Comp	1,632.21	4,806.12
<b>Total 925 · Injuries &amp; Damages</b>	<b>2,605.61</b>	<b>14,215.96</b>
<b>926 · Employee Pension/Benefit (926)</b>		
926.5 · Insurance-Medical	2,192.30	9,517.04
<b>Total 926 · Employee Pension/Benefit (926)</b>	<b>2,192.30</b>	<b>9,517.04</b>
<b>928 · Regulatory Comm Expenses (928)</b>		
928.1 · PSC Assessment	0.00	1,071.27
928.2 · Licenses	0.00	150.00
<b>Total 928 · Regulatory Comm Expenses (928)</b>	<b>0.00</b>	<b>1,221.27</b>
<b>930 · Gen Advertising &amp; Mktg Exp</b>		
930.1 · Advertising	631.47	1,654.51
<b>Total 930 · Gen Advertising &amp; Mktg Exp</b>	<b>631.47</b>	<b>1,654.51</b>
<b>930.3 · Misc General Exp</b>		
930.3.1 · Bank Service/Check Charges	21.00	103.75
930.3.2 · Computer Repair & Maint	0.00	33.91
930.3.3 · Donations	0.00	75.00
930.3.4 · Dues and Subscriptions	1,055.25	1,287.67
930.3.5 · Employee Drug Testing Service	210.00	210.00
930.3.7 · Postage/Fedex	472.41	879.70
930.3.8 · Repairs & Maintenance	394.87	394.87
930.3.9 · Supplies	69.94	730.17
<b>930.5 · Travel &amp; Entertainment</b>		
930.5.1 · Meals/Entertainment	556.31	1,591.58
930.5.3 · Travel	724.17	1,706.68
<b>Total 930.5 · Travel &amp; Entertainment</b>	<b>1,280.48</b>	<b>3,298.26</b>
930.6 · Utilities	1,359.34	5,434.09
930.6.1 · Termite Control - Office	201.34	499.48
<b>Total 930.3 · Misc General Exp</b>	<b>5,064.63</b>	<b>12,946.90</b>
<b>931 · Rents (931)</b>		
931.1 · Rent - copier	473.07	1,626.40
931 · Rents (931) - Other	432.00	914.00
<b>Total 931 · Rents (931)</b>	<b>905.07</b>	<b>2,540.40</b>
<b>933 · Transportation Expenses (933)</b>		
933.1 · Automobile Expenses	638.83	4,102.76
933.3 · Auto Taxes	440.99	692.60
933.4 · Auto Repair & Maint	986.64	3,090.71
933.5 · Insurance/Title/Fees	1,071.23	4,641.50
<b>Total 933 · Transportation Expenses (933)</b>	<b>3,137.69</b>	<b>12,527.57</b>

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**Citipower, L. L. C.**  
**Profit & Loss**  
 October through December 2003

	Oct - Dec 03	Jan - Dec 03
<b>935 · Maint of General Plant (935)</b>		
935.2 · Ditchwitch	0.00	1,856.42
935.3 · Equipment Other	0.00	74.09
935.4 · Storage Rental - Equipment	1,388.90	5,948.90
<b>Total 935 · Maint of General Plant (935)</b>	<u>1,388.90</u>	<u>7,879.41</u>
<b>Total 920 · Admin &amp; Gen Expense</b>	<u>119,262.76</u>	<u>484,351.51</u>
<b>Total 900 · Tot Gas Oper &amp; Maint Exp</b>	127,498.70	521,229.77
<b>403 · Depr &amp; Depl Expense</b>	55,982.00	224,732.00
<b>408 · Taxes Other than Income</b>		
408.9 · Other taxes	0.00	70.37
408.1 · Payroll Taxes	2,376.78	9,998.48
408.2 · Property Taxes	3,763.51	30,872.29
<b>Total 408 · Taxes Other than Income</b>	<u>6,140.29</u>	<u>40,941.14</u>
<b>999.1 · Miscellaneous</b>	2,131.01	2,291.83
<b>Total Expense</b>	<u>191,752.00</u>	<u>789,194.74</u>
<b>Net Ordinary Income</b>	32,702.01	-324,822.05
<b>Other Income/Expense</b>		
<b>Other Income</b>		
<b>415-418 · Nonutility Income</b>		
418.1 · Equity in Earnings of LBU, LLC	141,408.00	141,408.00
418.2 · Equity in Earnings of Citigas	-37,863.05	-38,143.05
<b>Total 415-418 · Nonutility Income</b>	<u>103,544.95</u>	<u>103,264.95</u>
<b>Total Other Income</b>	103,544.95	103,264.95
<b>Other Expense</b>		
<b>431 · Other Interest Expense</b>		
431.2 · Interest expense - customer dep	0.00	50.25
431.3 · Interest - Vehicle Loans	-157.03	1,554.35
431.4 · Interest-Note Payable	12,026.38	49,368.36
<b>Total 431 · Other Interest Expense</b>	<u>11,869.35</u>	<u>50,972.96</u>
<b>Total Other Expense</b>	11,869.35	50,972.96
<b>Net Other Income</b>	91,675.60	52,291.99
<b>Net Income</b>	<u><u>124,377.61</u></u>	<u><u>-272,530.06</u></u>



**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 1999

Mar 31, 99

**ASSETS**

**Current Assets**

**Checking/Savings**

133 · Bank-Clearing Acct	-108,973.00
131 · Cash & Working Funds	
131.7 · Petty Cash	350.22
131.1 · McCreary - Operating Bank Acct.	1,664.73
131.2 · FUNB - CAP Account	197,313.52
131.6 · FUNB - Checking	-7.00
131 · Cash & Working Funds - Other	-93.00

**Total 131 · Cash & Working Funds** 199,228.47

**Total Checking/Savings** 90,255.47

**Accounts Receivable**

142 · Customer AR - Gas Sales	
142.1 · A/R - Residential/Commercial	7.00

**Total 142 · Customer AR - Gas Sales** 7.00

143 · Other Accounts Receivable 374.51

144 · Allow for Uncollectibles -273.40

**Total Accounts Receivable** 108.11

**Other Current Assets**

145 · Receivables	
145.1 · Citizens Receivable	21,982.80
145.2 · Severance Tax Receivable	-567.62
145.3 · Sales Receivable	47,202.60
145.4 · Sales Tax Receivable	471.71

**Total 145 · Receivables** 69,089.49

**165 · Prepayments**

    165.1 · Prepaid Insurance 3,393.31

**Total 165 · Prepayments** 3,393.31

**Total Other Current Assets** 72,482.80

**Total Current Assets** 162,846.38

**Fixed Assets**

**365 · Property & Equipment (365-399)**

383 · Capitalized Expenses	28,226.54
367.1 · Pipeline - 3"	246,457.63
367.2 · Pipeline - 4"	600,341.59
376.1 · Pipeline - 1" & 2"	318,907.68
376.2 · Pipeline - 6"	488,965.37
376.3 · Pipeline Line - Steel	1,035,155.44
377 · Compressor Site	127,959.10
382 · Equipment - Meters/Setup	216,879.64
385 · Reg/Ordorant Station	10,636.72
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	9,176.88
393 · Automobiles/Vehicles	87,311.09
394 · Tools	45.75
396 · Equipment - DW/Other	49,969.69

**Total 365 · Property & Equipment (365-399)** 3,345,033.12

Citipower, L. L. C.  
**Balance Sheet**  
As of March 31, 1999

	<u>Mar 31, 99</u>
400 · Accumulated Depreciation	-990,939.41
<b>Total Fixed Assets</b>	<b>2,354,093.71</b>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.1 · LBU, LLC investment	400,000.00
<b>Total 123 · Investment in Subsidiaries</b>	<b>400,000.00</b>
301 · Intangible Plant	
301.1 · Goodwill	
301.25 · Accumulated Ammortization	-34,047.00
301.1 · Goodwill - Other	75,648.00
<b>Total 301.1 · Goodwill</b>	<b>41,601.00</b>
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<b>41,901.00</b>
<b>Total Other Assets</b>	<b>441,901.00</b>
<b>TOTAL ASSETS</b>	<b>2,958,841.09</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.9 · Other Accounts Payable	-65,810.79
232.1 · Due to Forexco, Inc.	-14,355.62
232 · Accounts Payable - Other	1,858.57
<b>Total 232 · Accounts Payable</b>	<b>-78,307.84</b>
<b>Total Accounts Payable</b>	<b>-78,307.84</b>
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	298,000.00
231.3 · Loans Payable - Vehicles	52,185.73
<b>Total 231 · Notes Payable</b>	<b>850,185.73</b>
234 · A/P to Assoc Co	
234.1 · Forexco-Gas Purchases	58,533.22
<b>Total 234 · A/P to Assoc Co</b>	<b>58,533.22</b>
235 · Customer Deposits	
235.1 · Customer Security Deposits	5,450.00
235.2 · Deferred Rev.-Customer Payments	190.89
<b>Total 235 · Customer Deposits</b>	<b>5,640.89</b>

Citipower, L. L. C.  
**Balance Sheet**  
As of March 31, 1999

Mar 31, 99

<b>236 · Taxes Accrued</b>	
<b>236.1 · Payroll Tax Liabilities</b>	
236.1.1 · FUTA	0.38
236.1.2 · SUI Payable	1.56
236.1.3 · Federal Taxes Withheld	-0.12
236.1.4 · KY State Withholding	-0.01
236.1.6 · Employer's FICA	1.53
236.1.7 · Employee Pension	0.02
<b>Total 236.1 · Payroll Tax Liabilities</b>	<b>3.36</b>
236.2 · Sales Tax Payable	1,565.29
236.3 · Severance Tax Payable	1,133.39
236.4 · School Tax Payable	2,635.66
<b>Total 236 · Taxes Accrued</b>	<b>5,337.70</b>
<b>238 · Other Liabilities</b>	
<b>238.1 · Match - SIMPLE IRA</b>	
238.1.1 · Pension Match	830.13
<b>Total 238.1 · Match - SIMPLE IRA</b>	<b>830.13</b>
238.2 · Deferred Acquisition Costs Paya	26,500.00
<b>Total 238 · Other Liabilities</b>	<b>27,330.13</b>
<b>Total Other Current Liabilities</b>	<b>947,027.67</b>
<b>Total Current Liabilities</b>	<b>868,719.83</b>
<b>Total Liabilities</b>	<b>868,719.83</b>
<b>Equity</b>	
216 · Ret Earnings (215 or 216)	-1,990,507.40
<b>218 · Non Corp Proprietorship</b>	
218.1 · Members Capital Contributions	4,164,352.60
218.2 · Opening Bal Equity	250.00
<b>Total 218 · Non Corp Proprietorship</b>	<b>4,164,602.60</b>
<b>Net Income</b>	<b>-83,973.94</b>
<b>Total Equity</b>	<b>2,090,121.26</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,958,841.09</b>

Citipower, L. L. C.  
**Balance Sheet**  
 As of June 30, 1999

Jun 30, 99

**ASSETS**

**Current Assets**

**Checking/Savings**

133 · Bank-Clearing Acct	-108,973.00
131 · Cash & Working Funds	
131.7 · Petty Cash	350.22
131.1 · McCreary - Operating Bank Acct.	1,194.57
131.2 · FUNB - CAP Account	23,306.25
131.6 · FUNB - Checking	-7.00
131 · Cash & Working Funds - Other	-93.00

**Total 131 · Cash & Working Funds** 24,751.04

**Total Checking/Savings** -84,221.96

**Accounts Receivable**

142 · Customer AR - Gas Sales	
142.1 · A/R - Residential/Commercial	7.00
<b>Total 142 · Customer AR - Gas Sales</b>	<u>7.00</u>

143 · Other Accounts Receivable	374.51
144 · Allow for Uncollectibles	-273.40

**Total Accounts Receivable** 108.11

**Other Current Assets**

145 · Receivables	
145.6 · School Sales Tax Receivable	190.45
145.1 · Citizens Receivable	75,286.22
145.2 · Severance Tax Receivable	-567.62
145.3 · Sales Receivable	10,515.14
145.4 · Sales Tax Receivable	109.85

**Total 145 · Receivables** 85,534.04

165 · Prepayments	
165.1 · Prepaid Insurance	1,500.10

**Total 165 · Prepayments** 1,500.10

**Total Other Current Assets** 87,034.14

**Total Current Assets** 2,920.29

**Fixed Assets**

**365 · Property & Equipment (365-399)**

383 · Capitalized Expenses	52,145.18
367.1 · Pipeline - 3"	250,603.53
367.2 · Pipeline - 4"	614,312.65
376.1 · Pipeline - 1" & 2"	339,530.15
376.2 · Pipeline - 6"	489,245.37
376.3 · Pipeline Line - Steel	1,035,163.56
377 · Compressor Site	132,318.17
382 · Equipment - Meters/Setup	231,938.62
385 · Reg/Ordorant Station	12,058.56
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	12,768.84
393 · Automobiles/Vehicles	93,311.09
394 · Tools	120.82
396 · Equipment - DW/Other	61,619.69

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Accrual Basis

Citipower, L. L. C.  
**Balance Sheet**  
As of June 30, 1999

	<u>Jun 30, 99</u>
399.1 · Josh Hill Project	
399.12 · 2" Pipe	882.40
399.13 · 3" Pipe	35,313.27
399.15 · Valves, tees, fittings	759.99
399.18 · Labor/Hauling	47.00
399.19 · Misc Expense	577.05
<b>Total 399.1 · Josh Hill Project</b>	<b>37,579.71</b>
399.2 · Bob Musgrove Road	
399.21 · 1" Pipe	604.90
399.22 · 2" Main Musgrove Rd	4,023.71
399.25 · Valves, caps, couplings, tees	718.46
399.28 · Labor/Hauling	488.13
399.29 · Miscellaneous	204.25
<b>Total 399.2 · Bob Musgrove Road</b>	<b>6,039.45</b>
399.3 · Hayes Creek Project	
399.32 · 2" Pipe	5,920.00
399.34 · 4" Pipe	19,378.61
399.35 · Valves, tees, couplings	24,559.32
399.38 · Labor/Hauling	31,683.70
399.39 · Miscellaneous	2,675.86
<b>Total 399.3 · Hayes Creek Project</b>	<b>84,217.49</b>
399.4 · Hatfield Subdivision	
399.41 · 1" Pipe	393.09
399.43 · 3" Pipe	323.60
399.48 · Labor/Hauling	486.00
<b>Total 399.4 · Hatfield Subdivision</b>	<b>1,202.69</b>
<b>Total 365 · Property &amp; Equipment (365-399)</b>	<b>3,579,175.57</b>
<b>400 · Accumulated Depreciation</b>	<b>-1,046,613.41</b>
<b>Total Fixed Assets</b>	<b>2,532,562.16</b>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.1 · LBU, LLC investment	400,000.00
<b>Total 123 · Investment in Subsidiaries</b>	<b>400,000.00</b>
301 · Intangible Plant	
301.1 · Goodwill	
301.25 · Accumulated Ammortization	-34,047.00
301.1 · Goodwill - Other	75,648.00
<b>Total 301.1 · Goodwill</b>	<b>41,601.00</b>
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<b>41,901.00</b>
<b>Total Other Assets</b>	<b>441,901.00</b>
<b>TOTAL ASSETS</b>	<b>2,977,383.45</b>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 1999

Jun 30, 99

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

**232 · Accounts Payable**

232.9 · Other Accounts Payable

12,747.12

232.1 · Due to Forexco, Inc.

-158,797.71

232 · Accounts Payable - Other

6,652.00

**Total 232 · Accounts Payable**

-139,398.59

**Total Accounts Payable**

-139,398.59

**Other Current Liabilities**

**231 · Notes Payable**

231.1 · Note Payable Bank of McCreary

500,000.00

231.2 · Line of Credit

443,750.00

231.3 · Loans Payable - Vehicles

48,280.47

**Total 231 · Notes Payable**

992,030.47

**234 · A/P to Assoc Co**

234.1 · Forexco-Gas Purchases

77,943.02

**Total 234 · A/P to Assoc Co**

77,943.02

**235 · Customer Deposits**

235.1 · Customer Security Deposits

6,288.00

235.2 · Deferred Rev.-Customer Payments

190.89

**Total 235 · Customer Deposits**

6,478.89

**236 · Taxes Accrued**

**236.1 · Payroll Tax Liabilities**

236.1.1 · FUTA

19.18

236.1.2 · SUI Payable

69.73

236.1.3 · Federal Taxes Withheld

-0.14

236.1.4 · KY State Withholding

-108.67

236.1.5 · FICA/MCARE W/H

-0.05

236.1.6 · Employer's FICA

1.57

236.1.7 · Employee Pension

0.02

**Total 236.1 · Payroll Tax Liabilities**

-18.36

236.2 · Sales Tax Payable

1,120.07

236.3 · Severance Tax Payable

3,632.47

236.4 · School Tax Payable

4,033.19

**Total 236 · Taxes Accrued**

8,767.37

**238 · Other Liabilities**

238.1 · Match - SIMPLE IRA

238.1.1 · Pension Match

1,626.04

**Total 238.1 · Match - SIMPLE IRA**

1,626.04

238.2 · Deferred Acquisition Costs Paya

26,500.00

**Total 238 · Other Liabilities**

28,126.04

**Total Other Current Liabilities**

1,113,345.79

**Total Current Liabilities**

973,947.20

**Total Liabilities**

973,947.20

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 1999

	<u>Jun 30, 99</u>
<b>Equity</b>	
216 · Ret Earnings (215 or 216)	-1,984,371.99
218 · Non Corp Proprietorship	
218.1 · Members Capital Contributions	4,205,227.60
218.2 · Opening Bal Equity	250.00
<b>Total 218 · Non Corp Proprietorship</b>	<u>4,205,477.60</u>
<b>Net Income</b>	<u>-217,669.36</u>
<b>Total Equity</b>	<u>2,003,436.25</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>2,977,383.45</u></u>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 1999

Sep 30, 99

**ASSETS**

**Current Assets**

**Checking/Savings**

133 · Bank-Clearing Acct	-108,973.00
131 · Cash & Working Funds	
131.7 · Petty Cash	350.22
131.1 · McCreary - Operating Bank Acct.	1,114.82
131.2 · FUNB - CAP Account	104,505.31
131.6 · FUNB - Checking	-7.00
131 · Cash & Working Funds - Other	-93.00

<b>Total 131 · Cash &amp; Working Funds</b>	105,870.35
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<b>Total Checking/Savings</b>	-3,102.65
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**Accounts Receivable**

142 · Customer AR - Gas Sales	
142.1 · A/R - Residential/Commercial	7.00
<b>Total 142 · Customer AR - Gas Sales</b>	7.00

143 · Other Accounts Receivable	374.51
144 · Allow for Uncollectibles	-273.40

<b>Total Accounts Receivable</b>	108.11
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**Other Current Assets**

145 · Receivables	
145.6 · School Sales Tax Receivable	58.91
145.2 · Severance Tax Receivable	3,336.37
145.3 · Sales Receivable	5,769.76
145.4 · Sales Tax Receivable	293.75

<b>Total 145 · Receivables</b>	9,458.79
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150 · Materials & Supplies (150)	6,060.82
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165 · Prepayments	
165.1 · Prepaid Insurance	237.96

<b>Total 165 · Prepayments</b>	237.96
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<b>Total Other Current Assets</b>	15,757.57
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<b>Total Current Assets</b>	12,763.03
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**Fixed Assets**

365 · Property & Equipment (365-399)	
383 · Capitalized Expenses	88,985.81
367.1 · Pipeline - 3"	250,744.53
367.2 · Pipeline - 4"	616,847.65
376.1 · Pipeline - 1" & 2"	343,252.60
376.2 · Pipeline - 6"	489,245.37
376.3 · Pipeline Line - Steel	1,035,315.56
377 · Compressor Site	133,532.23
382 · Equipment - Meters/Setup	254,081.96
385 · Reg/Ordorant Station	12,058.56
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	2,500.00
393 · Automobiles/Vehicles	93,311.09
396 · Equipment - DW/Other	61,619.69



**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 1999

	Sep 30, 99
<b>399.1 · Josh Hill Project</b>	
399.12 · 2" Pipe	9,552.40
399.13 · 3" Pipe	26,643.27
399.15 · Valves, tees, fittings	759.99
399.18 · Labor/Hauling	267.00
399.19 · Misc Expense	706.95
<b>Total 399.1 · Josh Hill Project</b>	37,929.61
<b>399.2 · Bob Musgrove Road</b>	
399.21 · 1" Pipe	604.90
399.22 · 2" Main Musgrove Rd	4,023.71
399.25 · Valves, caps, couplings, tees	718.46
399.28 · Labor/Hauling	670.63
399.29 · Miscellaneous	204.25
<b>Total 399.2 · Bob Musgrove Road</b>	6,221.95
<b>399.3 · Hayes Creek Project</b>	
399.32 · 2" Pipe	5,920.00
399.34 · 4" Pipe	19,378.61
399.35 · Valves, tees, couplings	24,559.32
399.38 · Labor/Hauling	41,748.70
399.39 · Miscellaneous	2,675.86
<b>Total 399.3 · Hayes Creek Project</b>	94,282.49
<b>399.4 · Hatfield Subdivision</b>	
399.41 · 1" Pipe	393.09
399.43 · 3" Pipe	414.65
399.48 · Labor/Hauling	686.94
399.49 · Miscellaneous	6.34
<b>Total 399.4 · Hatfield Subdivision</b>	1,501.02
<b>Total 365 · Property &amp; Equipment (365-399)</b>	3,657,441.92
<b>400 · Accumulated Depreciation</b>	-1,102,287.41
<b>Total Fixed Assets</b>	2,555,154.51
<b>Other Assets</b>	
<b>123 · Investment in Subsidiaries</b>	
123.1 · LBU, LLC investment	400,000.00
<b>Total 123 · Investment in Subsidiaries</b>	400,000.00
<b>301 · Intangible Plant</b>	
301.1 · Goodwill	
301.25 · Accumulated Ammortization	-34,047.00
301.1 · Goodwill - Other	75,648.00
<b>Total 301.1 · Goodwill</b>	41,601.00
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	41,901.00
<b>Total Other Assets</b>	441,901.00
<b>TOTAL ASSETS</b>	3,009,818.54

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 1999

Sep 30, 99

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

**232 · Accounts Payable**

232.9 · Other Accounts Payable 44,119.57

232.1 · Due to Forexco, Inc. -158,797.71

232 · Accounts Payable - Other 12,267.98

**Total 232 · Accounts Payable -102,410.16**

**Total Accounts Payable -102,410.16**

**Other Current Liabilities**

**231 · Notes Payable**

231.4 · Loan Payable-Member 18,000.00

231.1 · Note Payable Bank of McCreary 500,000.00

231.2 · Line of Credit 496,750.00

231.3 · Loans Payable - Vehicles 43,961.03

**Total 231 · Notes Payable 1,058,711.03**

**234 · A/P to Assoc Co**

234.1 · Forexco-Gas Purchases 46,684.23

**Total 234 · A/P to Assoc Co 46,684.23**

**235 · Customer Deposits**

235.1 · Customer Security Deposits 7,435.00

235.2 · Deferred Rev.-Customer Payments 190.89

235 · Customer Deposits - Other 100.00

**Total 235 · Customer Deposits 7,725.89**

**236 · Taxes Accrued**

**236.1 · Payroll Tax Liabilities**

236.1.1 · FUTA 19.18

236.1.2 · SUI Payable 41.98

236.1.3 · Federal Taxes Withheld -0.14

236.1.4 · KY State Withholding -108.67

236.1.5 · FICA/MCARE W/H -0.11

236.1.6 · Employer's FICA 1.65

236.1.7 · Employee Pension 0.02

**Total 236.1 · Payroll Tax Liabilities -46.09**

236.2 · Sales Tax Payable 261.72

236.3 · Severance Tax Payable 2,181.40

236.4 · School Tax Payable 5,493.96

**Total 236 · Taxes Accrued 7,890.99**

**238 · Other Liabilities**

**238.1 · Match - SIMPLE IRA**

238.1.1 · Pension Match 2,588.42

**Total 238.1 · Match - SIMPLE IRA 2,588.42**

**Citipower, L. L. C.**  
**Balance Sheet**  
As of September 30, 1999

	<u>Sep 30, 99</u>
238.2 · Deferred Acquisition Costs Paya	26,500.00
<b>Total 238 · Other Liabilities</b>	<u>29,088.42</u>
<b>Total Other Current Liabilities</b>	<u>1,150,100.56</u>
<b>Total Current Liabilities</b>	<u>1,047,690.40</u>
<b>Total Liabilities</b>	1,047,690.40
<b>Equity</b>	
216 · Ret Earnings (215 or 216)	-2,000,836.46
218 · Non Corp Proprietorship	
218.1 · Members Capital Contributions	4,324,467.60
218.2 · Opening Bal Equity	-808.35
<b>Total 218 · Non Corp Proprietorship</b>	<u>4,323,659.25</u>
<b>Net Income</b>	<u>-360,694.65</u>
<b>Total Equity</b>	<u>1,962,128.14</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>3,009,818.54</u></u>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of December 31, 1999

Dec 31, 99

**ASSETS**

**Current Assets**

**Checking/Savings**

133 · Bank-Clearing Acct	-108,973.00
131 · Cash & Working Funds	
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	6,271.27
131.2 · FUNB - CAP Account	11,771.47
131 · Cash & Working Funds - Other	-93.00

**Total 131 · Cash & Working Funds** 18,149.74

**Total Checking/Savings** -90,823.26

**Accounts Receivable**

142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	6,343.76
142.1 · A/R - Residential/Commercial	46,987.00

**Total 142 · Customer AR - Gas Sales** 53,330.76

**143 · Other Accounts Receivable**

143.1 · A/R - Forexco, Inc.	30,000.00
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**Total 143 · Other Accounts Receivable** 30,000.00

**144 · Allow for Uncollectibles** -697.43

**Total Accounts Receivable** 82,633.33

**Other Current Assets**

**145 · Receivables**

145.6 · School Sales Tax Receivable	482.94
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**Total 145 · Receivables** 482.94

**165 · Prepayments**

165.1 · Prepaid Insurance	237.96
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**Total 165 · Prepayments** 237.96

**Total Other Current Assets** 720.90

**Total Current Assets** -7,469.03

**Fixed Assets**

**365 · Property & Equipment (365-399)**

383 · Capitalized Expenses	142,027.60
367.1 · Pipeline - 3"	289,794.07
367.2 · Pipeline - 4"	720,100.13
376.1 · Pipeline - 1" & 2"	351,805.72
376.2 · Pipeline - 6"	489,245.37
376.3 · Pipeline Line - Steel	1,035,615.56
377 · Compressor Site	133,857.23
382 · Equipment - Meters/Setup	408,287.02
385 · Reg/Ordorant Station	12,058.56
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	2,500.00
393 · Automobiles/Vehicles	74,475.09
396 · Equipment - DW/Other	52,969.69

**Total 365 · Property & Equipment (365-399)** 3,848,747.84

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of December 31, 1999

	Dec 31, 99
400 · Accumulated Depreciation	-1,067,257.41
<b>Total Fixed Assets</b>	<b>2,781,490.43</b>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.1 · LBU, LLC investment	400,000.00
<b>Total 123 · Investment in Subsidiaries</b>	<b>400,000.00</b>
301 · Intangible Plant	
301.1 · Goodwill	
301.25 · Accumulated Ammortization	-49,179.00
301.1 · Goodwill - Other	75,648.00
<b>Total 301.1 · Goodwill</b>	<b>26,469.00</b>
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<b>26,769.00</b>
<b>Total Other Assets</b>	<b>426,769.00</b>
<b>TOTAL ASSETS</b>	<b>3,200,790.40</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.9 · Other Accounts Payable	35,990.27
232.1 · Due to Forexco, Inc.	-2,846.16
232 · Accounts Payable - Other	9,468.60
<b>Total 232 · Accounts Payable</b>	<b>42,612.71</b>
<b>Total Accounts Payable</b>	<b>42,612.71</b>
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.4 · Loan Payable-Member	18,000.00
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	496,750.00
231.3 · Loans Payable - Vehicles	28,095.74
<b>Total 231 · Notes Payable</b>	<b>1,042,845.74</b>
235 · Customer Deposits	
235.1 · Customer Security Deposits	8,150.00
235 · Customer Deposits - Other	100.00
<b>Total 235 · Customer Deposits</b>	<b>8,250.00</b>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	1,107.26
236.4 · School Tax Payable	7,176.09
<b>Total 236 · Taxes Accrued</b>	<b>8,283.35</b>
<b>Total Other Current Liabilities</b>	<b>1,059,379.09</b>
<b>Total Current Liabilities</b>	<b>1,101,991.80</b>
<b>Total Liabilities</b>	<b>1,101,991.80</b>

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of December 31, 1999

	<u>Dec 31, 99</u>
<b>Equity</b>	
216 · Ret Earnings (215 or 216)	-2,071,826.25
218 · Non Corp Proprietorship	
218.1 · Members Capital Contributions	4,432,877.60
<b>Total 218 · Non Corp Proprietorship</b>	<u>4,432,877.60</u>
<b>Net Income</b>	<u>-262,252.75</u>
<b>Total Equity</b>	<u>2,098,798.60</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>3,200,790.40</u></u>

Citipower, L. L. C.  
**Balance Sheet**  
As of March 31, 2000

Mar 31, 00

**ASSETS**

**Current Assets**

**Checking/Savings**

133 · Bank-Clearing Acct	-108,973.00
131 · Cash & Working Funds	
131.8 · FUNB- Houston	5,000.00
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	41,505.13
131.2 · FUNB - CAP Account	56,907.49
131 · Cash & Working Funds - Other	-93.00

**Total 131 · Cash & Working Funds** 103,519.62

**Total Checking/Savings** -5,453.38

**Accounts Receivable**

142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	6,137.28
142.1 · A/R - Residential/Commercial	28,938.58

**Total 142 · Customer AR - Gas Sales** 35,075.86

**143 · Other Accounts Receivable**

143.3 · APP Gas Partners	-7,322.81
143.1 · A/R - Forexco, Inc.	30,000.00

**Total 143 · Other Accounts Receivable** 22,677.19

**144 · Allow for Uncollectibles** -854.10

**Total Accounts Receivable** 56,898.95

**Other Current Assets**

150 · Materials & Supplies (150)	
150.1 · Misc. Parts	-66.03

**Total 150 · Materials & Supplies (150)** -66.03

**165 · Prepayments**

165.1 · Prepaid Insurance	237.96
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**Total 165 · Prepayments** 237.96

**Total Other Current Assets** 171.93

**Total Current Assets** 51,617.50

**Fixed Assets**

**365 · Property & Equipment (365-399)**

367.1 · Pipeline - 3"	289,794.07
367.2 · Pipeline - 4"	721,368.13
376.1 · Pipeline - 1" & 2"	358,389.42
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,035,615.56
377 · Compressor Site	133,984.73
382 · Equipment - Meters/Setup	568,719.43
385 · Reg/Ordorant Station	12,065.96
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	2,500.00
393 · Automobiles/Vehicles	74,475.09
396 · Equipment - DW/Other	52,969.69

**Total 365 · Property & Equipment (365-399)** 3,878,509.25

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 2000

	<u>Mar 31, 00</u>
400 · Accumulated Depreciation	-1,067,257.41
<b>Total Fixed Assets</b>	<u>2,811,251.84</u>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.1 · LBU, LLC investment	500,000.00
<b>Total 123 · Investment in Subsidiaries</b>	500,000.00
301 · Intangible Plant	
301.1 · Goodwill	
301.25 · Accumulated Ammortization	-49,179.00
301.1 · Goodwill - Other	75,648.00
<b>Total 301.1 · Goodwill</b>	<u>26,469.00</u>
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<u>26,769.00</u>
<b>Total Other Assets</b>	<u>526,769.00</u>
<b>TOTAL ASSETS</b>	<u><u>3,389,638.34</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.9 · Other Accounts Payable	10,022.98
232.3 · Due to AGA Partners	7,463.00
<b>Total 232 · Accounts Payable</b>	<u>17,485.98</u>
<b>Total Accounts Payable</b>	17,485.98
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	496,750.00
231.3 · Loans Payable - Vehicles	25,196.48
<b>Total 231 · Notes Payable</b>	<u>1,021,946.48</u>
235 · Customer Deposits	
235.1 · Customer Security Deposits	8,050.00
235 · Customer Deposits - Other	100.00
<b>Total 235 · Customer Deposits</b>	<u>8,150.00</u>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	874.02
236.4 · School Tax Payable	-187.10
<b>Total 236 · Taxes Accrued</b>	<u>686.92</u>
<b>Total Other Current Liabilities</b>	<u>1,030,783.40</u>
<b>Total Current Liabilities</b>	<u>1,048,269.38</u>
<b>Total Liabilities</b>	1,048,269.38
<b>Equity</b>	
216 · Ret Earnings (215 or 216)	-2,325,278.50



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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of March 31, 2000

	<u>Mar 31, 00</u>
218 · Non Corp Proprietorship	
218.5 · Class C - 7% Preferred	137,500.00
218.1 · Members Capital Contributions	4,544,799.60
<b>Total 218 · Non Corp Proprietorship</b>	<b>4,682,299.60</b>
<b>Net Income</b>	<b>-15,652.14</b>
<b>Total Equity</b>	<b>2,341,368.96</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3,389,638.34</b>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 2000

Jun 30, 00

**ASSETS**

**Current Assets**

**Checking/Savings**

133 · Bank-Clearing Acct	-108,973.00
131 · Cash & Working Funds	
131.8 · FUNB- Houston	7,732.82
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	21,219.40
131.2 · FUNB - CAP Account	133,442.10
131 · Cash & Working Funds - Other	-93.00

**Total 131 · Cash & Working Funds** 162,501.32

**Total Checking/Savings** 53,528.32

**Accounts Receivable**

143.4 · Account Rec - Lick Branch	25,198.46
142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	3,791.98
142.1 · A/R - Residential/Commercial	9,563.18

**Total 142 · Customer AR - Gas Sales** 13,355.16

**144 · Allow for Uncollectibles** -854.10

**Total Accounts Receivable** 37,699.52

**Other Current Assets**

150 · Materials & Supplies (150)	
150.1 · Misc. Parts	-66.03

**Total 150 · Materials & Supplies (150)** -66.03

**165 · Prepayments**

165.1 · Prepaid Insurance	237.96
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**Total 165 · Prepayments** 237.96

**Total Other Current Assets** 171.93

**Total Current Assets** 91,399.77

**Fixed Assets**

**365 · Property & Equipment (365-399)**

367.1 · Pipeline - 3"	289,794.07
367.2 · Pipeline - 4"	731,467.13
376.1 · Pipeline - 1" & 2"	366,591.40
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,035,615.56
377 · Compressor Site	133,984.73
382 · Equipment - Meters/Setup	573,121.03
385 · Reg/Ordorant Station	12,065.96
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	2,500.00
393 · Automobiles/Vehicles	74,475.09
396 · Equipment - DW/Other	52,969.69

**Total 365 · Property & Equipment (365-399)** 3,901,211.83

**400 · Accumulated Depreciation** -1,067,257.41

**Total Fixed Assets** 2,833,954.42

Citipower, L. L. C.  
**Balance Sheet**  
As of June 30, 2000

	<u>Jun 30, 00</u>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.1 · LBU, LLC investment	500,000.00
<b>Total 123 · Investment in Subsidiaries</b>	<u>500,000.00</u>
301 · Intangible Plant	
301.1 · Goodwill	
301.25 · Accumulated Ammortization	-49,179.00
<b>Total 301.1 · Goodwill</b>	<u>-49,179.00</u>
301.4 · Utility Deposits	300.00
301 · Intangible Plant - Other	75,648.00
<b>Total 301 · Intangible Plant</b>	<u>26,769.00</u>
<b>Total Other Assets</b>	<u>526,769.00</u>
<b>TOTAL ASSETS</b>	<u><u>3,452,123.19</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.9 · Other Accounts Payable	2,550.26
232.3 · Due to AGA Partners	4,947.01
<b>Total 232 · Accounts Payable</b>	<u>7,497.27</u>
<b>Total Accounts Payable</b>	7,497.27
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	396,750.00
<b>Total 231 · Notes Payable</b>	<u>896,750.00</u>
235 · Customer Deposits	
235.1 · Customer Security Deposits	8,250.00
235 · Customer Deposits - Other	100.00
<b>Total 235 · Customer Deposits</b>	<u>8,350.00</u>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	184.26
236.4 · School Tax Payable	223.81
<b>Total 236 · Taxes Accrued</b>	<u>408.07</u>
<b>Total Other Current Liabilities</b>	<u>905,508.07</u>
<b>Total Current Liabilities</b>	<u>913,005.34</u>
<b>Total Liabilities</b>	913,005.34
<b>Equity</b>	
216 · Ret Earnings (215 or 216)	-2,343,431.41

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2000

	<u>Jun 30, 00</u>
218 · Non Corp Proprietorship	
218.5 · Class C - 7% Preferred	433,500.00
218.1 · Members Capital Contributions	4,570,333.59
218.2 · Opening Bal Equity	<u>2,296.98</u>
Total 218 · Non Corp Proprietorship	5,006,130.57
Net Income	<u>-123,581.31</u>
Total Equity	<u>2,539,117.85</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>3,452,123.19</u></u></b>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 2000

Sep 30, 00

**ASSETS**

**Current Assets**

**Checking/Savings**

133 · Bank-Clearing Acct	-108,940.00
131 · Cash & Working Funds	
131.8 · FUNB- Houston	5,894.22
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	8,023.61
131.2 · FUNB - CAP Account	18,529.96
131 · Cash & Working Funds - Other	-93.00

**Total 131 · Cash & Working Funds** 32,554.79

**132 · Temp. Cash Investment** -33.00

**Total Checking/Savings** -76,418.21

**Accounts Receivable**

143.4 · Account Rec - Lick Branch	37,947.46
142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	2,139.06
142.1 · A/R - Residential/Commercial	7,986.63

**Total 142 · Customer AR - Gas Sales** 10,125.69

**143 · Other Accounts Receivable**

143.1 · A/R - Forexco, Inc. -30,000.00

**Total 143 · Other Accounts Receivable** -30,000.00

**144 · Allow for Uncollectibles** -854.10

**Total Accounts Receivable** 17,219.05

**Other Current Assets**

150 · Materials & Supplies (150)	
150.1 · Misc. Parts	-66.03

**Total 150 · Materials & Supplies (150)** -66.03

**165 · Prepayments**

165.1 · Prepaid Insurance 237.96

**Total 165 · Prepayments** 237.96

**Total Other Current Assets** 171.93

**Total Current Assets** -59,027.23

**Fixed Assets**

**365 · Property & Equipment (365-399)**

367.1 · Pipeline - 3"	289,794.07
367.2 · Pipeline - 4"	749,469.63
376.1 · Pipeline - 1" & 2"	370,583.18
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,047,696.30
377 · Compressor Site	133,984.73
382 · Equipment - Meters/Setup	574,274.51
385 · Reg/Ordorant Station	12,474.06
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	2,500.00

**Citipower, L. L. C.**  
**Balance Sheet**  
As of September 30, 2000

	<u>Sep 30, 00</u>
393 · Automobiles/Vehicles	74,475.09
396 · Equipment - DW/Other	52,969.69
<b>Total 365 · Property &amp; Equipment (365-399)</b>	<b>3,936,848.43</b>
400 · Accumulated Depreciation	-1,067,257.41
<b>Total Fixed Assets</b>	<b>2,869,591.02</b>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.1 · LBU, LLC investment	500,000.00
<b>Total 123 · Investment in Subsidiaries</b>	<b>500,000.00</b>
301 · Intangible Plant	
301.1 · Goodwill	
301.25 · Accumulated Ammortization	-49,179.00
<b>Total 301.1 · Goodwill</b>	<b>-49,179.00</b>
301.4 · Utility Deposits	300.00
301 · Intangible Plant - Other	75,648.00
<b>Total 301 · Intangible Plant</b>	<b>26,769.00</b>
<b>Total Other Assets</b>	<b>526,769.00</b>
<b>TOTAL ASSETS</b>	<b>3,337,332.79</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	11,369.36
<b>Total 232 · Accounts Payable</b>	<b>11,369.36</b>
<b>Total Accounts Payable</b>	<b>11,369.36</b>
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	396,750.00
<b>Total 231 · Notes Payable</b>	<b>896,750.00</b>
235 · Customer Deposits	
235.1 · Customer Security Deposits	8,600.00
235 · Customer Deposits - Other	100.00
<b>Total 235 · Customer Deposits</b>	<b>8,700.00</b>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	180.50
236.4 · School Tax Payable	243.21
<b>Total 236 · Taxes Accrued</b>	<b>423.71</b>
<b>Total Other Current Liabilities</b>	<b>905,873.71</b>
<b>Total Current Liabilities</b>	<b>917,243.07</b>
<b>Total Liabilities</b>	<b>917,243.07</b>

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
**As of September 30, 2000**

	<u>Sep 30, 00</u>
<b>Equity</b>	
218.6 · "C" Unit Distributions	-7,586.25
216 · Ret Earnings (215 or 216)	-2,343,431.41
218 · Non Corp Proprietorship	
218.5 · Class C - 7% Preferred	435,906.25
218.1 · Members Capital Contributions	4,572,747.24
218.2 · Opening Bal Equity	2,296.98
<b>Total 218 · Non Corp Proprietorship</b>	<u>5,010,950.47</u>
<b>Net Income</b>	-239,843.09
<b>Total Equity</b>	<u>2,420,089.72</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>3,337,332.79</u></u>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of December 31, 2000

Dec 31, 00

**ASSETS**

**Current Assets**

**Checking/Savings**

131 · Cash & Working Funds

131.7 · Petty Cash

200.00

131.1 · McCreary - Operating Bank Acct.

4,084.19

131.2 · FUNB - CAP Account

78,629.74

**Total 131 · Cash & Working Funds**

82,913.93

**Total Checking/Savings**

82,913.93

**Accounts Receivable**

143.4 · Account Rec - Lick Branch

37,947.46

142 · Customer AR - Gas Sales

142.2 · A/R - Payment Plan

3,021.21

142.1 · A/R - Residential/Commercial

59,305.22

**Total 142 · Customer AR - Gas Sales**

62,326.43

143 · Other Accounts Receivable

143.1 · A/R - Forexco, Inc.

-36,000.00

**Total 143 · Other Accounts Receivable**

-36,000.00

144 · Allow for Uncollectibles

-854.10

**Total Accounts Receivable**

63,419.79

**Other Current Assets**

150 · Materials & Supplies (150)

150.1 · Misc. Parts

-66.03

150 · Materials & Supplies (150) - Other

66.03

**Total 150 · Materials & Supplies (150)**

0.00

**Total Other Current Assets**

0.00

**Total Current Assets**

146,333.72

**Fixed Assets**

365 · Property & Equipment (365-399)

367.1 · Pipeline - 3"

289,794.07

367.2 · Pipeline - 4"

812,685.67

376.1 · Pipeline - 1" & 2"

385,601.95

376.2 · Pipeline - 6"

492,615.37

376.3 · Pipeline Line - Steel

1,047,696.30

377 · Compressor Site

133,984.73

382 · Equipment - Meters/Setup

723,858.29

385 · Reg/Ordorant Station

12,474.06

390 · Office Building

125,000.00

391 · Office Furniture & Equipment

11,011.80

391.1 · Software

2,500.00

393 · Automobiles/Vehicles

74,475.09

396 · Equipment - DW/Other

52,969.69

**Total 365 · Property & Equipment (365-399)**

4,164,667.02

400 · Accumulated Depreciation

-1,182,742.41

**Total Fixed Assets**

2,981,924.61



**Citipower, L. L. C.**  
**Balance Sheet**  
 As of December 31, 2000

	Dec 31, 00
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.1 · LBU, LLC investment	500,000.00
<b>Total 123 · Investment in Subsidiaries</b>	500,000.00
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	300.00
<b>Total Other Assets</b>	500,300.00
<b>TOTAL ASSETS</b>	3,628,558.33
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	23,156.84
<b>Total 232 · Accounts Payable</b>	23,156.84
<b>Total Accounts Payable</b>	23,156.84
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	496,750.00
<b>Total 231 · Notes Payable</b>	996,750.00
235 · Customer Deposits	
235.1 · Customer Security Deposits	9,950.00
235 · Customer Deposits - Other	100.00
<b>Total 235 · Customer Deposits</b>	10,050.00
236 · Taxes Accrued	
236.2 · Sales Tax Payable	731.61
236.4 · School Tax Payable	1,669.68
<b>Total 236 · Taxes Accrued</b>	2,401.29
<b>Total Other Current Liabilities</b>	1,009,201.29
<b>Total Current Liabilities</b>	1,032,358.13
<b>Total Liabilities</b>	1,032,358.13
<b>Equity</b>	
218.6 · "C" Unit Distributions	-15,214.59
216 · Ret Earnings (215 or 216)	-2,369,900.41
218 · Non Corp Proprietorship	
218.5 · Class C - 7% Preferred	438,354.59
218.1 · Members Capital Contributions	4,807,340.76
218.2 · Opening Bal Equity	2,296.98
<b>Total 218 · Non Corp Proprietorship</b>	5,247,992.33

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of December 31, 2000

	<u>Dec 31, 00</u>
Net Income	-266,677.13
Total Equity	<u>2,596,200.20</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>3,628,558.33</u></u></b>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 2001

Mar 31, 01

**ASSETS**

**Current Assets**

**Checking/Savings**

131 · Cash & Working Funds	
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	350,914.34
131.2 · FUNB - CAP Account	36,507.62
<b>Total 131 · Cash &amp; Working Funds</b>	<b>387,621.96</b>

**Total Checking/Savings** 387,621.96

**Accounts Receivable**

143.4 · Account Rec - Lick Branch	37,947.46
142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	2,482.20
142.1 · A/R - Residential/Commercial	66,288.03

**Total 142 · Customer AR - Gas Sales** 68,770.23

**143 · Other Accounts Receivable**

143.1 · A/R - Forexco, Inc. -36,364.87

**Total 143 · Other Accounts Receivable** -36,364.87

**144 · Allow for Uncollectibles** -854.10

**Total Accounts Receivable** 69,498.72

**Total Current Assets** 457,120.68

**Fixed Assets**

**365 · Property & Equipment (365-399)**

369 · Prison Pipeline	6,347.00
367.1 · Pipeline - 3"	353,427.15
367.2 · Pipeline - 4"	812,685.67
376.1 · Pipeline - 1" & 2"	386,562.95
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,047,696.30
377 · Compressor Site	133,984.73
382 · Equipment - Meters/Setup	727,269.55
385 · Reg/Ordorant Station	12,474.06
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	16,201.32
393 · Automobiles/Vehicles	74,475.09
396 · Equipment - DW/Other	52,969.69

**Total 365 · Property & Equipment (365-399)** 4,252,720.68

**400 · Accumulated Depreciation** -1,182,742.41

**Total Fixed Assets** 3,069,978.27

**Other Assets**

**123 · Investment in Subsidiaries**

123.1 · LBU, LLC investment 641,000.00

**Total 123 · Investment in Subsidiaries** 641,000.00

**Citipower, L. L. C.**  
**Balance Sheet**  
As of March 31, 2001

	<u>Mar 31, 01</u>
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<u>300.00</u>
<b>Total Other Assets</b>	<u>641,300.00</u>
<b>TOTAL ASSETS</b>	<u><u>4,168,398.95</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	41,351.57
<b>Total 232 · Accounts Payable</b>	<u>41,351.57</u>
<b>Total Accounts Payable</b>	41,351.57
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	496,750.00
<b>Total 231 · Notes Payable</b>	<u>996,750.00</u>
235 · Customer Deposits	
235.1 · Customer Security Deposits	9,700.00
235 · Customer Deposits - Other	100.00
<b>Total 235 · Customer Deposits</b>	<u>9,800.00</u>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	333.21
236.4 · School Tax Payable	1,960.94
<b>Total 236 · Taxes Accrued</b>	<u>2,294.15</u>
238 · Other Liabilities	363,000.00
<b>Total Other Current Liabilities</b>	<u>1,371,844.15</u>
<b>Total Current Liabilities</b>	<u>1,413,195.72</u>
<b>Total Liabilities</b>	1,413,195.72
<b>Equity</b>	
218.6 · "C" Unit Distributions	-22,885.77
216 · Ret Earnings (215 or 216)	-2,636,577.54
218 · Non Corp Proprietorship	
218.5 · Class C - 7% Preferred	440,845.77
218.1 · Members Capital Contributions	4,994,591.03
218.2 · Opening Bal Equity	2,296.98
<b>Total 218 · Non Corp Proprietorship</b>	<u>5,437,733.78</u>
<b>Net Income</b>	<u>-23,067.24</u>
<b>Total Equity</b>	<u>2,755,203.23</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>4,168,398.95</u></u>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 2001

	<u>Jun 30, 01</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
131 · Cash & Working Funds	
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	90,092.45
131.2 · FUNB - CAP Account	17,320.82
<b>Total 131 · Cash &amp; Working Funds</b>	<u>107,613.27</u>
<b>Total Checking/Savings</b>	107,613.27
<b>Accounts Receivable</b>	
143.4 · Account Rec - Lick Branch	57,997.46
142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	1,456.32
142.1 · A/R - Residential/Commercial	17,691.12
<b>Total 142 · Customer AR - Gas Sales</b>	<u>19,147.44</u>
143 · Other Accounts Receivable	
143.1 · A/R - Forexco, Inc.	147,240.95
<b>Total 143 · Other Accounts Receivable</b>	<u>147,240.95</u>
144 · Allow for Uncollectibles	-854.10
<b>Total Accounts Receivable</b>	<u>223,531.75</u>
<b>Other Current Assets</b>	
165 · Prepayments	
165.2 · Deposits	10,000.00
<b>Total 165 · Prepayments</b>	<u>10,000.00</u>
<b>Total Other Current Assets</b>	<u>10,000.00</u>
<b>Total Current Assets</b>	<u>341,145.02</u>
<b>Fixed Assets</b>	
365 · Property & Equipment (365-399)	
369 · Prison Pipeline	207,109.74
367.1 · Pipeline - 3"	358,441.96
367.2 · Pipeline - 4"	812,685.67
376.1 · Pipeline - 1" & 2"	386,562.95
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,047,696.30
377 · Compressor Site	133,984.73
382 · Equipment - Meters/Setup	729,507.01
385 · Reg/Ordorant Station	12,474.06
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	16,201.32
393 · Automobiles/Vehicles	87,034.66
396 · Equipment - DW/Other	52,969.69
<b>Total 365 · Property &amp; Equipment (365-399)</b>	<u>4,473,295.26</u>
400 · Accumulated Depreciation	-1,182,742.41
<b>Total Fixed Assets</b>	<u>3,290,552.85</u>

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2001

	<u>Jun 30, 01</u>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.1 · LBU, LLC investment	641,000.00
<b>Total 123 · Investment in Subsidiaries</b>	<u>641,000.00</u>
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<u>300.00</u>
<b>Total Other Assets</b>	<u>641,300.00</u>
<b>TOTAL ASSETS</b>	<u><u>4,272,997.87</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	6,197.00
<b>Total 232 · Accounts Payable</b>	<u>6,197.00</u>
<b>Total Accounts Payable</b>	6,197.00
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	496,750.00
<b>Total 231 · Notes Payable</b>	<u>996,750.00</u>
235 · Customer Deposits	
235.1 · Customer Security Deposits	7,750.00
235 · Customer Deposits - Other	100.00
<b>Total 235 · Customer Deposits</b>	<u>7,850.00</u>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	-166.96
236.4 · School Tax Payable	615.69
<b>Total 236 · Taxes Accrued</b>	448.73
238 · Other Liabilities	363,000.00
<b>Total Other Current Liabilities</b>	<u>1,368,048.73</u>
<b>Total Current Liabilities</b>	<u>1,374,245.73</u>
<b>Total Liabilities</b>	1,374,245.73
<b>Equity</b>	
218.6 · "C" Unit Distributions	-30,600.51
216 · Ret Earnings (215 or 216)	-2,636,577.54
218 · Non Corp Proprietorship	
218.5 · Class C - 7% Preferred	443,380.51
218.1 · Members Capital Contributions	5,226,336.60
218.2 · Opening Bal Equity	2,296.98
<b>Total 218 · Non Corp Proprietorship</b>	<u>5,672,014.09</u>

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03/18/04  
Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2001

	<u>Jun 30, 01</u>
Net Income	-106,083.90
Total Equity	<u>2,898,752.14</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>4,272,997.87</u></u></b>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 2001

Sep 30, 01

**ASSETS**

**Current Assets**

**Checking/Savings**

**131 · Cash & Working Funds**

131.7 · Petty Cash 200.00

131.1 · McCreary - Operating Bank Acct. 13,342.10

131.2 · FUNB - CAP Account 7,595.42

**Total 131 · Cash & Working Funds 21,137.52**

**Total Checking/Savings 21,137.52**

**Accounts Receivable**

143.4 · Account Rec - Lick Branch 85,997.46

**142 · Customer AR - Gas Sales**

142.2 · A/R - Payment Plan 1,045.13

142.1 · A/R - Residential/Commercial 11,438.38

**Total 142 · Customer AR - Gas Sales 12,483.51**

**143 · Other Accounts Receivable**

143.1 · A/R - Forexco, Inc. 56,740.95

**Total 143 · Other Accounts Receivable 56,740.95**

144 · Allow for Uncollectibles 246.19

**Total Accounts Receivable 155,468.11**

**Total Current Assets 176,605.63**

**Fixed Assets**

**365 · Property & Equipment (365-399)**

369 · Prison Pipeline 350,788.39

367.1 · Pipeline - 3" 360,351.96

367.2 · Pipeline - 4" 813,294.09

376.1 · Pipeline - 1" & 2" 386,562.95

376.2 · Pipeline - 6" 492,615.37

376.3 · Pipeline Line - Steel 1,047,696.30

377 · Compressor Site 133,984.73

382 · Equipment - Meters/Setup 736,435.46

385 · Reg/Ordorant Station 12,474.06

390 · Office Building 125,000.00

391 · Office Furniture & Equipment 11,011.80

391.1 · Software 16,201.32

393 · Automobiles/Vehicles 99,102.12

394 · Tools 3,306.00

396 · Equipment - DW/Other 75,969.69

**Total 365 · Property & Equipment (365-399) 4,664,794.24**

400 · Accumulated Depreciation -1,167,242.41

**Total Fixed Assets 3,497,551.83**

**Other Assets**

**123 · Investment in Subsidiaries**

123.1 · LBU, LLC investment 641,000.00

**Total 123 · Investment in Subsidiaries 641,000.00**



**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 2001

	Sep 30, 01
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<b>300.00</b>
<b>Total Other Assets</b>	<b>641,300.00</b>
<b>TOTAL ASSETS</b>	<b>4,315,457.46</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	-8,759.07
<b>Total 232 · Accounts Payable</b>	<b>-8,759.07</b>
<b>Total Accounts Payable</b>	<b>-8,759.07</b>
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	496,750.00
<b>Total 231 · Notes Payable</b>	<b>996,750.00</b>
235 · Customer Deposits	
235.1 · Customer Security Deposits	7,300.00
235 · Customer Deposits - Other	100.00
<b>Total 235 · Customer Deposits</b>	<b>7,400.00</b>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	201.52
236.4 · School Tax Payable	229.51
<b>Total 236 · Taxes Accrued</b>	<b>431.03</b>
238 · Other Liabilities	363,000.00
<b>Total Other Current Liabilities</b>	<b>1,367,581.03</b>
<b>Total Current Liabilities</b>	<b>1,358,821.96</b>
<b>Total Liabilities</b>	<b>1,358,821.96</b>
<b>Equity</b>	
218.6 · "C" Unit Distributions	-38,359.62
216 · Ret Earnings (215 or 216)	-2,636,577.54
218 · Non Corp Proprietorship	
218.5 · Class C - 7% Preferred	445,959.62
218.1 · Members Capital Contributions	5,349,647.67
218.2 · Opening Bal Equity	2,296.98
<b>Total 218 · Non Corp Proprietorship</b>	<b>5,797,904.27</b>
<b>Net Income</b>	<b>-166,331.61</b>
<b>Total Equity</b>	<b>2,956,635.50</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>4,315,457.46</b>

**Citipower, L. L. C.**  
**Balance Sheet**  
As of December 31, 2001

Dec 31, 01

**ASSETS**

**Current Assets**

**Checking/Savings**

131 · Cash & Working Funds

131.7 · Petty Cash

131.1 · McCreary - Operating Bank Acct.

131.2 · FUNB - CAP Account

200.00

17,536.93

108,656.54

**Total 131 · Cash & Working Funds**

126,393.47

**Total Checking/Savings**

126,393.47

**Accounts Receivable**

142 · Customer AR - Gas Sales

142.2 · A/R - Payment Plan

142.1 · A/R - Residential/Commercial

766.82

46,327.45

**Total 142 · Customer AR - Gas Sales**

47,094.27

143 · Other Accounts Receivable

143.1 · A/R - Forexco, Inc.

-14,654.19

**Total 143 · Other Accounts Receivable**

-14,654.19

144 · Allow for Uncollectibles

246.19

**Total Accounts Receivable**

32,686.27

**Total Current Assets**

159,079.74

**Fixed Assets**

365 · Property & Equipment (365-399)

369 · Prison Pipeline

367.1 · Pipeline - 3"

367.2 · Pipeline - 4"

376.1 · Pipeline - 1" & 2"

376.2 · Pipeline - 6"

376.3 · Pipeline Line - Steel

377 · Compressor Site

382 · Equipment - Meters/Setup

385 · Reg/Ordorant Station

390 · Office Building

391 · Office Furniture & Equipment

391.1 · Software

393 · Automobiles/Vehicles

396 · Equipment - DW/Other

352,456.88

456,479.96

965,145.36

386,662.95

492,615.37

1,047,696.30

133,984.73

740,640.36

12,474.06

125,000.00

11,011.80

16,801.32

81,218.62

75,969.69

**Total 365 · Property & Equipment (365-399)**

4,898,157.40

400 · Accumulated Depreciation

-1,313,861.91

**Total Fixed Assets**

3,584,295.49

**Other Assets**

123 · Investment in Subsidiaries

123.1 · LBU, LLC investment

2,280,236.62

**Total 123 · Investment in Subsidiaries**

2,280,236.62

**Citipower, L. L. C.**  
**Balance Sheet**  
As of December 31, 2001

	Dec 31, 01
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<b>300.00</b>
<b>Total Other Assets</b>	<b>2,280,536.62</b>
<b>TOTAL ASSETS</b>	<b>6,023,911.85</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	-7,387.73
<b>Total 232 · Accounts Payable</b>	<b>-7,387.73</b>
<b>Total Accounts Payable</b>	<b>-7,387.73</b>
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	500,000.00
231.2 · Line of Credit	496,750.00
<b>Total 231 · Notes Payable</b>	<b>996,750.00</b>
235 · Customer Deposits	
235.1 · Customer Security Deposits	4,950.00
235 · Customer Deposits - Other	100.00
<b>Total 235 · Customer Deposits</b>	<b>5,050.00</b>
238 · Other Liabilities	363,000.00
<b>Total Other Current Liabilities</b>	<b>1,364,800.00</b>
<b>Total Current Liabilities</b>	<b>1,357,412.27</b>
<b>Long Term Liabilities</b>	
224.6 · Note Payable - LBU	645,000.00
224.4 · Note Payable - Toyota #2	14,237.79
224.3 · Note Payable - Toyota	14,237.79
224.2 · Note Payable - Trencher	18,954.81
<b>Total Long Term Liabilities</b>	<b>692,430.39</b>
<b>Total Liabilities</b>	<b>2,049,842.66</b>
<b>Equity</b>	
218.6 · "C" Unit Distributions	-46,163.90
216 · Ret Earnings (215 or 216)	-2,636,577.54
218 · Non Corp Proprietorship	
218.7 · Class D - 7% Preferred	415,000.00
218.5 · Class C - 7% Preferred	448,583.90
218.1 · Members Capital Contributions	6,107,013.33
218.2 · Opening Bal Equity	2,296.98
<b>Total 218 · Non Corp Proprietorship</b>	<b>6,972,894.21</b>
<b>Net Income</b>	<b>-316,083.58</b>
<b>Total Equity</b>	<b>3,974,069.19</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>6,023,911.85</b>

**Citipower, L. L. C.**  
**Balance Sheet**  
As of March 31, 2002

Mar 31, 02

**ASSETS**

**Current Assets**

**Checking/Savings**

131 · Cash & Working Funds	
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	49,863.39
131.2 · FUNB - CAP Account	961.29
<b>Total 131 · Cash &amp; Working Funds</b>	<b>51,024.68</b>

**Total Checking/Savings** 51,024.68

**Accounts Receivable**

142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	483.43
142.1 · A/R - Residential/Commercial	63,662.88
<b>Total 142 · Customer AR - Gas Sales</b>	<b>64,146.31</b>

143 · Other Accounts Receivable	
143.1 · A/R - Forexco, Inc.	-107,654.19
<b>Total 143 · Other Accounts Receivable</b>	<b>-107,654.19</b>

144 · Allow for Uncollectibles -1,253.81

**Total Accounts Receivable** -44,761.69

**Total Current Assets** 6,262.99

**Fixed Assets**

365 · Property & Equipment (365-399)	
369 · Prison Pipeline	353,606.88
367.1 · Pipeline - 3"	456,479.96
367.2 · Pipeline - 4"	997,397.73
376.1 · Pipeline - 1" & 2"	386,662.95
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,047,696.30
377 · Compressor Site	133,984.73
382 · Equipment - Meters/Setup	741,176.48
385 · Reg/Ordorant Station	12,474.06
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	16,801.32
393 · Automobiles/Vehicles	75,218.62
396 · Equipment - DW/Other	75,969.69

**Total 365 · Property & Equipment (365-399)** 4,926,095.89

400 · Accumulated Depreciation -1,370,111.91

**Total Fixed Assets** 3,555,983.98

**Other Assets**

123 · Investment in Subsidiaries	
123.2 · Citigas, LLC investment	167,000.00
123.1 · LBU, LLC investment	2,295,236.62

**Total 123 · Investment in Subsidiaries** 2,462,236.62

**Citipower, L. L. C.**  
**Balance Sheet**  
As of March 31, 2002

	<u>Mar 31, 02</u>
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<u>300.00</u>
<b>Total Other Assets</b>	<u>2,462,536.62</u>
<b>TOTAL ASSETS</b>	<u><u>6,024,783.59</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	-13,395.06
<b>Total 232 · Accounts Payable</b>	<u>-13,395.06</u>
<b>Total Accounts Payable</b>	-13,395.06
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	1,000,000.00
<b>Total 231 · Notes Payable</b>	1,000,000.00
235 · Customer Deposits	
235.1 · Customer Security Deposits	4,502.65
<b>Total 235 · Customer Deposits</b>	4,502.65
236 · Taxes Accrued	
236.2 · Sales Tax Payable	590.43
236.4 · School Tax Payable	1,708.66
<b>Total 236 · Taxes Accrued</b>	2,299.09
237 · Interest Accrued	3,322.44
238 · Other Liabilities	363,000.00
<b>Total Other Current Liabilities</b>	<u>1,373,124.18</u>
<b>Total Current Liabilities</b>	1,359,729.12
<b>Long Term Liabilities</b>	
224.6 · Note Payable - LBU	645,000.00
224.4 · Note Payable - Toyota #2	13,391.80
224.3 · Note Payable - Toyota	13,391.80
224.2 · Note Payable - Trencher	17,830.32
<b>Total Long Term Liabilities</b>	<u>689,613.92</u>
<b>Total Liabilities</b>	2,049,343.04
<b>Equity</b>	
218.6 · "C" Unit Distributions	-54,014.11
216 · Ret Earnings (215 or 216)	-2,952,661.12
218 · Non Corp Proprietorship	
218.7 · Class D - 7% Preferred	522,500.00
218.5 · Class C - 7% Preferred	451,254.11
218.1 · Members Capital Contributions	6,119,135.66
218.2 · Opening Bal Equity	85.25
<b>Total 218 · Non Corp Proprietorship</b>	<u>7,092,975.02</u>

3:00 PM  
03/18/04  
Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of March 31, 2002

	<u>Mar 31, 02</u>
Net Income	-110,859.24
Total Equity	<u>3,975,440.55</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>6,024,783.59</u></b>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 2002

	<u>Jun 30, 02</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
131 · Cash & Working Funds	
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	18,890.04
131.2 · FUNB - CAP Account	31,817.04
<b>Total 131 · Cash &amp; Working Funds</b>	<u>50,907.08</u>
<b>Total Checking/Savings</b>	50,907.08
<b>Accounts Receivable</b>	
142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	162.84
142.1 · A/R - Residential/Commercial	15,767.43
<b>Total 142 · Customer AR - Gas Sales</b>	<u>15,930.27</u>
143 · Other Accounts Receivable	
143.1 · A/R - Forexco, Inc.	-72,993.56
<b>Total 143 · Other Accounts Receivable</b>	<u>-72,993.56</u>
144 · Allow for Uncollectibles	-2,753.81
<b>Total Accounts Receivable</b>	<u>-59,817.10</u>
<b>Total Current Assets</b>	-8,910.02
<b>Fixed Assets</b>	
365 · Property & Equipment (365-399)	
369 · Prison Pipeline	353,606.88
367.1 · Pipeline - 3"	456,479.96
367.2 · Pipeline - 4"	1,005,083.48
376.1 · Pipeline - 1" & 2"	386,662.95
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,047,696.30
377 · Compressor Site	133,984.73
382 · Equipment - Meters/Setup	748,744.67
385 · Reg/Ordorant Station	12,474.06
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	16,801.32
393 · Automobiles/Vehicles	75,218.62
396 · Equipment - DW/Other	75,969.69
<b>Total 365 · Property &amp; Equipment (365-399)</b>	<u>4,941,349.83</u>
400 · Accumulated Depreciation	-1,429,811.91
<b>Total Fixed Assets</b>	<u>3,511,537.92</u>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.2 · Citigas, LLC investment	167,000.00
123.1 · LBU, LLC investment	2,300,636.62
<b>Total 123 · Investment in Subsidiaries</b>	<u>2,467,636.62</u>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 2002

	<u>Jun 30, 02</u>
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<u>300.00</u>
<b>Total Other Assets</b>	<u>2,467,936.62</u>
<b>TOTAL ASSETS</b>	<u><u>5,970,564.52</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	-42,232.53
232 · Accounts Payable - Other	19,393.47
<b>Total 232 · Accounts Payable</b>	<u>-22,839.06</u>
<b>Total Accounts Payable</b>	-22,839.06
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	1,000,000.00
<b>Total 231 · Notes Payable</b>	<u>1,000,000.00</u>
235 · Customer Deposits	
235.1 · Customer Security Deposits	3,500.00
<b>Total 235 · Customer Deposits</b>	<u>3,500.00</u>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	608.17
236.4 · School Tax Payable	211.93
<b>Total 236 · Taxes Accrued</b>	<u>820.10</u>
237 · Interest Accrued	7,843.89
238 · Other Liabilities	363,000.00
<b>Total Other Current Liabilities</b>	<u>1,375,163.99</u>
<b>Total Current Liabilities</b>	<u>1,352,324.93</u>
<b>Long Term Liabilities</b>	
224.6 · Note Payable - LBU	645,000.00
224.4 · Note Payable - Toyota #2	11,958.46
224.3 · Note Payable - Toyota	11,958.46
224.2 · Note Payable - Trencher	15,925.14
<b>Total Long Term Liabilities</b>	<u>684,842.06</u>
<b>Total Liabilities</b>	<u>2,037,166.99</u>
<b>Equity</b>	
218.6 · "C" Unit Distributions	-61,911.02
216 · Ret Earnings (215 or 216)	-2,952,661.12
218 · Non Corp Proprietorship	
218.7 · Class D - 7% Preferred	577,500.00
218.5 · Class C - 7% Preferred	453,971.02
218.1 · Members Capital Contributions	6,179,491.13
218.2 · Opening Bal Equity	-3,319.64
<b>Total 218 · Non Corp Proprietorship</b>	<u>7,207,642.51</u>



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03/18/04  
Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2002

	<u>Jun 30, 02</u>
Net Income	<u>-259,672.84</u>
Total Equity	<u>3,933,397.53</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>5,970,564.52</u></b>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 2002

Sep 30, 02

**ASSETS**

**Current Assets**

**Checking/Savings**

131 · Cash & Working Funds	
131.9 · Centura 0411790887	129,887.11
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	15,325.31
131.2 · FUNB - CAP Account	1,724.97
<b>Total 131 · Cash &amp; Working Funds</b>	<b>147,137.39</b>

**Total Checking/Savings** 147,137.39

**Accounts Receivable**

142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	62.82
142.1 · A/R - Residential/Commercial	20,215.11
<b>Total 142 · Customer AR - Gas Sales</b>	<b>20,277.93</b>

143 · Other Accounts Receivable	
143.1 · A/R - Forexco, Inc.	-315,529.94

**Total 143 · Other Accounts Receivable** -315,529.94

144 · Allow for Uncollectibles -4,253.81

**Total Accounts Receivable** -299,505.82

**Other Current Assets**

165 · Prepayments	
165.2 · Deposits	167,500.00

**Total 165 · Prepayments** 167,500.00

**Total Other Current Assets** 167,500.00

**Total Current Assets** 15,131.57

**Fixed Assets**

364 · California Property 20,972.70

**365 · Property & Equipment (365-399)**

369 · Prison Pipeline	355,895.41
367.1 · Pipeline - 3"	456,479.96
367.2 · Pipeline - 4"	1,005,083.48
376.1 · Pipeline - 1" & 2"	386,662.95
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,048,723.97
377 · Compressor Site	133,984.73
382 · Equipment - Meters/Setup	748,867.15
385 · Reg/Ordorant Station	12,474.06
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	16,801.32
393 · Automobiles/Vehicles	75,218.62
396 · Equipment - DW/Other	75,969.69

**Total 365 · Property & Equipment (365-399)** 4,944,788.51

400 · Accumulated Depreciation -1,489,511.91

**Total Fixed Assets** 3,476,249.30

**Citipower, L. L. C.**  
**Balance Sheet**  
As of September 30, 2002

	<u>Sep 30, 02</u>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.2 · Citigas, LLC investment	167,000.00
123.1 · LBU, LLC investment	2,300,636.62
<b>Total 123 · Investment in Subsidiaries</b>	<u>2,467,636.62</u>
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<u>300.00</u>
<b>Total Other Assets</b>	<u>2,467,936.62</u>
<b>TOTAL ASSETS</b>	<u><u>5,959,317.49</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	-48,798.22
232 · Accounts Payable - Other	14,569.38
<b>Total 232 · Accounts Payable</b>	<u>-34,228.84</u>
<b>Total Accounts Payable</b>	-34,228.84
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	1,000,000.00
<b>Total 231 · Notes Payable</b>	1,000,000.00
235 · Customer Deposits	
235.1 · Customer Security Deposits	4,255.15
<b>Total 235 · Customer Deposits</b>	4,255.15
236 · Taxes Accrued	
236.2 · Sales Tax Payable	250.73
236.3 · Severance Tax Payable	0.01
236.4 · School Tax Payable	1,235.71
<b>Total 236 · Taxes Accrued</b>	1,486.45
237 · Interest Accrued	7,843.89
238 · Other Liabilities	363,000.00
<b>Total Other Current Liabilities</b>	<u>1,376,585.49</u>
<b>Total Current Liabilities</b>	1,342,356.65
<b>Long Term Liabilities</b>	
224.6 · Note Payable - LBU	645,000.00
224.4 · Note Payable - Toyota #2	11,958.46
224.3 · Note Payable - Toyota	11,958.46
224.2 · Note Payable - Trencher	15,925.14
<b>Total Long Term Liabilities</b>	<u>684,842.06</u>
<b>Total Liabilities</b>	2,027,198.71

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of September 30, 2002

	<u>Sep 30, 02</u>
<b>Equity</b>	
218.8 · "D" Unit Distributions	-30,937.59
218.6 · "C" Unit Distributions	-69,855.50
216 · Ret Earnings (215 or 216)	-2,952,661.12
218 · Non Corp Proprietorship	
218.7 · Class D - 7% Preferred	579,226.20
218.5 · Class C - 7% Preferred	455,981.55
218.1 · Members Capital Contributions	6,372,646.86
218.2 · Opening Bal Equity	-3,506.70
<b>Total 218 · Non Corp Proprietorship</b>	<u>7,404,347.91</u>
<b>Net Income</b>	<u>-418,774.92</u>
<b>Total Equity</b>	<u>3,932,118.78</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>5,959,317.49</u></u>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of December 31, 2002

	<u>Dec 31, 02</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
131 · Cash & Working Funds	
131.9 · Centura 0411790887	323,991.77
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	60,107.65
<b>Total 131 · Cash &amp; Working Funds</b>	<u>384,299.42</u>
<b>Total Checking/Savings</b>	384,299.42
<b>Accounts Receivable</b>	
142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	1,266.92
142.1 · A/R - Residential/Commercial	126,371.04
<b>Total 142 · Customer AR - Gas Sales</b>	<u>127,637.96</u>
143 · Other Accounts Receivable	
143.1 · A/R - Forexco, Inc.	-422,908.79
<b>Total 143 · Other Accounts Receivable</b>	<u>-422,908.79</u>
144 · Allow for Uncollectibles	-7,000.00
<b>Total Accounts Receivable</b>	<u>-302,270.83</u>
<b>Other Current Assets</b>	
146 · Due to/from Subsidiary	
146.2 · Citigas, LLC inter-co balance	280.00
<b>Total 146 · Due to/from Subsidiary</b>	<u>280.00</u>
145 · Receivables	
145.5 · Transportation Fees Receivable	8,770.00
<b>Total 145 · Receivables</b>	<u>8,770.00</u>
165 · Prepayments	
165.2 · Deposits	167,500.00
<b>Total 165 · Prepayments</b>	<u>167,500.00</u>
<b>Total Other Current Assets</b>	<u>176,550.00</u>
<b>Total Current Assets</b>	258,578.59
<b>Fixed Assets</b>	
364 · California Property	129,382.47
365 · Property & Equipment (365-399)	
369 · Prison Pipeline	364,465.83
367.1 · Pipeline - 3"	456,479.96
367.2 · Pipeline - 4"	1,007,833.48
376.1 · Pipeline - 1" & 2"	386,662.95
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,048,723.97
377 · Compressor Site	133,984.73
382 · Equipment - Meters/Setup	757,538.84
385 · Reg/Ordorant Station	12,474.06
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	16,801.32

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of December 31, 2002

	Dec 31, 02
393 · Automobiles/Vehicles	75,218.62
396 · Equipment - DW/Other	75,969.69
<b>Total 365 · Property &amp; Equipment (365-399)</b>	<b>4,964,780.62</b>
400 · Accumulated Depreciation	-1,549,318.91
<b>Total Fixed Assets</b>	<b>3,544,844.18</b>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.2 · Citigas, LLC investment	176,606.07
123.1 · LBU, LLC investment	2,347,213.62
<b>Total 123 · Investment in Subsidiaries</b>	<b>2,523,819.69</b>
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<b>300.00</b>
<b>Total Other Assets</b>	<b>2,524,119.69</b>
<b>TOTAL ASSETS</b>	<b>6,327,542.46</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	
232.3 · Due to AGA Partners	0.02
232 · Accounts Payable - Other	140,214.33
<b>Total 232 · Accounts Payable</b>	<b>140,214.35</b>
<b>Total Accounts Payable</b>	<b>140,214.35</b>
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	993,173.81
<b>Total 231 · Notes Payable</b>	<b>993,173.81</b>
235 · Customer Deposits	
235.1 · Customer Security Deposits	4,200.00
<b>Total 235 · Customer Deposits</b>	<b>4,200.00</b>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	1,202.39
236.3 · Severance Tax Payable	-0.03
236.4 · School Tax Payable	6,796.85
<b>Total 236 · Taxes Accrued</b>	<b>7,999.21</b>
237 · Interest Accrued	5,715.00
238 · Other Liabilities	227.50
<b>Total Other Current Liabilities</b>	<b>1,011,315.52</b>
<b>Total Current Liabilities</b>	<b>1,151,529.87</b>

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of December 31, 2002

	<u>Dec 31, 02</u>
<b>Long Term Liabilities</b>	
224.6 · Note Payable - LBU	445,000.00
224.4 · Note Payable - Toyota #2	11,135.48
224.3 · Note Payable - Toyota	11,135.48
224.2 · Note Payable - Trencher	14,801.10
<b>Total Long Term Liabilities</b>	<u>482,072.06</u>
<b>Total Liabilities</b>	1,633,601.93
<b>Equity</b>	
218.8 · "D" Unit Distributions	-40,158.20
218.6 · "C" Unit Distributions	-77,835.20
216 · Ret Earnings (215 or 216)	-2,952,661.12
218 · Non Corp Proprietorship	
218.7 · Class D - 7% Preferred	580,087.65
218.5 · Class C - 7% Preferred	458,027.30
218.1 · Members Capital Contributions	6,890,860.59
<b>Total 218 · Non Corp Proprietorship</b>	<u>7,928,975.54</u>
<b>Net Income</b>	-164,380.49
<b>Total Equity</b>	<u>4,693,940.53</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>6,327,542.46</u></u>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 2003

Mar 31, 03

**ASSETS**

**Current Assets**

**Checking/Savings**

131 · Cash & Working Funds	
131.10 · McCreary - Business Bank Acct.	-16.05
131.9 · Centura 0411790887	7,285.72
131.7 · Petty Cash	200.00
131.1 · McCreary - Operating Bank Acct.	371,917.95
<b>Total 131 · Cash &amp; Working Funds</b>	<u>379,387.62</u>

**Total Checking/Savings** 379,387.62

**Accounts Receivable**

142 · Customer AR - Gas Sales	
142.2 · A/R - Payment Plan	848.32
142.1 · A/R - Residential/Commercial	84,055.87
<b>Total 142 · Customer AR - Gas Sales</b>	<u>84,904.19</u>

143 · Other Accounts Receivable	
143.1 · A/R - Forexco, Inc.	-300,008.79

**Total 143 · Other Accounts Receivable** -300,008.79

144 · Allow for Uncollectibles -9,025.00

**Total Accounts Receivable** -224,129.60

**Other Current Assets**

146 · Due to/from Subsidiary	
146.2 · Citigas, LLC inter-co balance	380.00

**Total 146 · Due to/from Subsidiary** 380.00

145 · Receivables	
145.5 · Transportation Fees Receivable	5,275.00

**Total 145 · Receivables** 5,275.00

**Total Other Current Assets** 5,655.00

**Total Current Assets** 160,913.02

**Fixed Assets**

365 · Property & Equipment (365-399)	
369 · Prison Pipeline	364,465.83
367.1 · Pipeline - 3"	456,479.96
367.2 · Pipeline - 4"	1,008,793.48
376.1 · Pipeline - 1" & 2"	386,662.95
376.2 · Pipeline - 6"	492,615.37
376.3 · Pipeline Line - Steel	1,048,723.97
377 · Compressor Site	134,346.46
382 · Equipment - Meters/Setup	758,899.09
385 · Reg/Ordorant Station	12,474.06
390 · Office Building	125,000.00
391 · Office Furniture & Equipment	11,011.80
391.1 · Software	16,801.32
393 · Automobiles/Vehicles	75,218.62
396 · Equipment - DW/Other	77,293.58

**Total 365 · Property & Equipment (365-399)** 4,968,786.49



**Citipower, L. L. C.**  
**Balance Sheet**  
 As of March 31, 2003

	<u>Mar 31, 03</u>
400 · Accumulated Depreciation	-1,605,568.91
<b>Total Fixed Assets</b>	<u>3,363,217.58</u>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.2 · Citigas, LLC investment	367,189.15
123.1 · LBU, LLC investment	<u>2,347,213.62</u>
<b>Total 123 · Investment in Subsidiaries</b>	2,714,402.77
301 · Intangible Plant	
301.4 · Utility Deposits	<u>300.00</u>
<b>Total 301 · Intangible Plant</b>	<u>300.00</u>
<b>Total Other Assets</b>	<u>2,714,702.77</u>
<b>TOTAL ASSETS</b>	<u><u>6,238,833.37</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	<u>204,112.34</u>
<b>Total Accounts Payable</b>	204,112.34
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	<u>993,173.81</u>
<b>Total 231 · Notes Payable</b>	993,173.81
235 · Customer Deposits	
235.1 · Customer Security Deposits	<u>4,800.00</u>
<b>Total 235 · Customer Deposits</b>	4,800.00
236 · Taxes Accrued	
236.2 · Sales Tax Payable	725.11
236.3 · Severance Tax Payable	-0.01
236.4 · School Tax Payable	<u>15,722.77</u>
<b>Total 236 · Taxes Accrued</b>	16,447.87
237 · Interest Accrued	5,715.00
238 · Other Liabilities	<u>227.50</u>
<b>Total Other Current Liabilities</b>	<u>1,020,364.18</u>
<b>Total Current Liabilities</b>	1,224,476.52
<b>Long Term Liabilities</b>	
224.6 · Note Payable - LBU	445,000.00
224.4 · Note Payable - Toyota #2	10,235.56
224.3 · Note Payable - Toyota	10,235.56
224.2 · Note Payable - Trencher	<u>13,604.93</u>
<b>Total Long Term Liabilities</b>	<u>479,076.05</u>
<b>Total Liabilities</b>	1,703,552.57
<b>Equity</b>	
218.8 · "D" Unit Distributions	-50,309.73
218.6 · "C" Unit Distributions	-85,850.67
216 · Ret Earnings (215 or 216)	-3,117,041.61

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of March 31, 2003

	<u>Mar 31, 03</u>
218 · Non Corp Proprietorship	
218.7 · Class D - 7% Preferred	580,964.18
218.5 · Class C - 7% Preferred	460,108.82
218.1 · Members Capital Contributions	6,900,214.39
218.2 · Opening Bal Equity	-1,695.50
	<hr/>
Total 218 · Non Corp Proprietorship	7,939,591.89
Net Income	-151,109.08
	<hr/>
Total Equity	4,535,280.80
	<hr/>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>6,238,833.37</b>
	<hr/> <hr/>

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 2003

Jun 30, 03

**ASSETS**

**Current Assets**

**Checking/Savings**

**131 · Cash & Working Funds**

131.10 · McCreary - Business Bank Acct. -16.05

131.9 · Centura 0411790887 88,656.05

131.7 · Petty Cash 200.00

131.1 · McCreary - Operating Bank Acct. 163,425.16

**Total 131 · Cash & Working Funds 252,265.16**

**Total Checking/Savings 252,265.16**

**Accounts Receivable**

**142 · Customer AR - Gas Sales**

142.2 · A/R - Payment Plan 514.04

142.1 · A/R - Residential/Commercial 105,606.10

**Total 142 · Customer AR - Gas Sales 106,120.14**

**143 · Other Accounts Receivable**

143.3 · APP Gas Partners -57,973.48

143.1 · A/R - Forexco, Inc. -265,464.82

**Total 143 · Other Accounts Receivable -323,438.30**

**144 · Allow for Uncollectibles -11,050.00**

**Total Accounts Receivable -228,368.16**

**Other Current Assets**

**146 · Due to/from Subsidiary**

146.2 · Citigas, LLC inter-co balance 1,839.41

**Total 146 · Due to/from Subsidiary 1,839.41**

**Total Other Current Assets 1,839.41**

**Total Current Assets 25,736.41**

**Fixed Assets**

**365 · Property & Equipment (365-399)**

369 · Prison Pipeline 364,465.83

367.1 · Pipeline - 3" 456,479.96

367.2 · Pipeline - 4" 1,008,793.48

376.1 · Pipeline - 1" & 2" 386,662.95

376.2 · Pipeline - 6" 492,615.37

376.3 · Pipeline Line - Steel 1,048,723.97

377 · Compressor Site 134,535.18

378 · Meas & Reg Station Equip 5,000.00

382 · Equipment - Meters/Setup 762,103.79

385 · Reg/Ordorant Station 12,474.06

390 · Office Building 125,000.00

391 · Office Furniture & Equipment 11,011.80

391.1 · Software 16,801.32

393 · Automobiles/Vehicles 75,218.62

396 · Equipment - DW/Other 77,293.58

**Total 365 · Property & Equipment (365-399) 4,977,179.91**

**400 · Accumulated Depreciation -1,661,818.91**

**Total Fixed Assets 3,315,361.00**

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of June 30, 2003

	<u>Jun 30, 03</u>
<b>Other Assets</b>	
<b>123 · Investment in Subsidiaries</b>	
123.2 · Citigas, LLC investment	451,108.78
123.1 · LBU, LLC investment	<u>2,300,636.62</u>
<b>Total 123 · Investment in Subsidiaries</b>	2,751,745.40
<b>301 · Intangible Plant</b>	
301.4 · Utility Deposits	<u>300.00</u>
<b>Total 301 · Intangible Plant</b>	<u>300.00</u>
<b>Total Other Assets</b>	<u>2,752,045.40</u>
<b>TOTAL ASSETS</b>	<b><u>6,093,142.81</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	<u>79,416.36</u>
<b>Total Accounts Payable</b>	79,416.36
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	<u>993,173.81</u>
<b>Total 231 · Notes Payable</b>	993,173.81
235 · Customer Deposits	
235.1 · Customer Security Deposits	<u>4,860.30</u>
<b>Total 235 · Customer Deposits</b>	4,860.30
236 · Taxes Accrued	
236.2 · Sales Tax Payable	422.32
236.4 · School Tax Payable	<u>1,645.59</u>
<b>Total 236 · Taxes Accrued</b>	2,067.91
237 · Interest Accrued	5,715.00
238 · Other Liabilities	<u>227.50</u>
<b>Total Other Current Liabilities</b>	<u>1,006,044.52</u>
<b>Total Current Liabilities</b>	1,085,460.88
<b>Long Term Liabilities</b>	
224.6 · Note Payable - LBU	445,000.00
224.4 · Note Payable - Toyota #2	9,323.81
224.3 · Note Payable - Toyota	9,323.81
224.2 · Note Payable - Trencher	<u>12,393.04</u>
<b>Total Long Term Liabilities</b>	<u>476,040.66</u>
<b>Total Liabilities</b>	1,561,501.54
<b>Equity</b>	
218.8 · "D" Unit Distributions	-60,476.60
218.6 · "C" Unit Distributions	-93,902.58
216 · Ret Earnings (215 or 216)	<u>-3,117,041.61</u>

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of June 30, 2003

	<u>Jun 30, 03</u>
218 · Non Corp Proprietorship	
218.7 · Class D - 7% Preferred	581,856.05
218.5 · Class C - 7% Preferred	462,226.78
218.1 · Members Capital Contributions	7,025,530.59
218.2 · Opening Bal Equity	-1,028.97
	<hr/>
Total 218 · Non Corp Proprietorship	8,068,584.45
Net Income	-265,522.39
	<hr/>
Total Equity	4,531,641.27
	<hr/>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>6,093,142.81</b>
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**Citipower, L. L. C.**  
**Balance Sheet**  
 As of September 30, 2003

Sep 30, 03

**ASSETS**

**Current Assets**

**Checking/Savings**

**131 · Cash & Working Funds**

131.10 · McCreary - Business Bank Acct. -16.05

131.9 · Centura 0411790887 350,586.19

131.7 · Petty Cash 200.00

131.1 · McCreary - Operating Bank Acct. 64,472.59

**Total 131 · Cash & Working Funds 415,242.73**

**Total Checking/Savings 415,242.73**

**Accounts Receivable**

**142 · Customer AR - Gas Sales**

142.2 · A/R - Payment Plan 147.20

142.1 · A/R - Residential/Commercial 103,618.66

**Total 142 · Customer AR - Gas Sales 103,765.86**

**143 · Other Accounts Receivable**

143.1 · A/R - Forexco, Inc. -260,613.54

**Total 143 · Other Accounts Receivable -260,613.54**

**144 · Allow for Uncollectibles -13,075.00**

**Total Accounts Receivable -169,922.68**

**Other Current Assets**

**146 · Due to/from Subsidiary**

146.2 · Citigas, LLC inter-co balance 1,839.41

**Total 146 · Due to/from Subsidiary 1,839.41**

**Total Other Current Assets 1,839.41**

**Total Current Assets 247,159.46**

**Fixed Assets**

**365 · Property & Equipment (365-399)**

369 · Prison Pipeline 364,465.83

367.1 · Pipeline - 3" 456,479.96

367.2 · Pipeline - 4" 1,008,793.48

376.1 · Pipeline - 1" & 2" 386,662.95

376.2 · Pipeline - 6" 492,615.37

376.3 · Pipeline Line - Steel 1,048,723.97

377 · Compressor Site 137,035.18

378 · Meas & Reg Station Equip 5,000.00

382 · Equipment - Meters/Setup 762,847.78

385 · Reg/Ordorant Station 12,474.06

390 · Office Building 125,000.00

391 · Office Furniture & Equipment 11,011.80

391.1 · Software 16,801.32

393 · Automobiles/Vehicles 75,218.62

396 · Equipment - DW/Other 77,293.58

**Total 365 · Property & Equipment (365-399) 4,980,423.90**

**400 · Accumulated Depreciation -1,718,068.91**

**Total Fixed Assets 3,262,354.99**

**Citipower, L. L. C.**  
**Balance Sheet**  
As of September 30, 2003

	<u>Sep 30, 03</u>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.2 · Citigas, LLC investment	1,530,727.33
123.1 · LBU, LLC investment	2,300,636.62
<b>Total 123 · Investment in Subsidiaries</b>	<u>3,831,363.95</u>
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<u>300.00</u>
<b>Total Other Assets</b>	<u>3,831,663.95</u>
<b>TOTAL ASSETS</b>	<u><u>7,341,178.40</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	76,495.63
<b>Total Accounts Payable</b>	<u>76,495.63</u>
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	993,173.81
<b>Total 231 · Notes Payable</b>	<u>993,173.81</u>
235 · Customer Deposits	
235.1 · Customer Security Deposits	5,163.16
<b>Total 235 · Customer Deposits</b>	<u>5,163.16</u>
236 · Taxes Accrued	
236.2 · Sales Tax Payable	334.14
236.3 · Severance Tax Payable	-0.01
236.4 · School Tax Payable	1,455.72
<b>Total 236 · Taxes Accrued</b>	<u>1,789.85</u>
237 · Interest Accrued	5,715.00
238 · Other Liabilities	227.50
<b>Total Other Current Liabilities</b>	<u>1,006,069.32</u>
<b>Total Current Liabilities</b>	<u>1,082,564.95</u>
<b>Long Term Liabilities</b>	
224.6 · Note Payable - LBU	445,000.00
224.4 · Note Payable - Toyota #2	8,396.04
224.3 · Note Payable - Toyota	8,396.04
224.2 · Note Payable - Trencher	11,159.86
<b>Total Long Term Liabilities</b>	<u>472,951.94</u>
<b>Total Liabilities</b>	<u>1,555,516.89</u>
<b>Equity</b>	
218.8 · "D" Unit Distributions	-70,659.11
218.6 · "C" Unit Distributions	-101,991.54
216 · Ret Earnings (215 or 216)	-3,117,041.61

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03/18/04  
Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of September 30, 2003

	<u>Sep 30, 03</u>
218 · Non Corp Proprietorship	
218.7 · Class D - 7% Preferred	582,763.56
218.5 · Class C - 7% Preferred	464,381.79
218.1 · Members Capital Contributions	8,425,716.14
218.2 · Opening Bal Equity	-600.05
<b>Total 218 · Non Corp Proprietorship</b>	<u>9,472,261.44</u>
<b>Net Income</b>	<u>-396,907.67</u>
<b>Total Equity</b>	<u>5,785,661.51</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>7,341,178.40</u></u>



**Citipower, L. L. C.**  
**Balance Sheet**  
 As of December 31, 2003

Dec 31, 03

**ASSETS**

**Current Assets**

**Checking/Savings**

**131 · Cash & Working Funds**

131.10 · McCreary - Business Bank Acct. 2,627.19

131.9 · Centura 0411790887 34,097.39

131.7 · Petty Cash 568.00

131.1 · McCreary - Operating Bank Acct. 83,914.02

**Total 131 · Cash & Working Funds 121,206.60**

**Total Checking/Savings 121,206.60**

**Accounts Receivable**

**142 · Customer AR - Gas Sales**

142.2 · A/R - Payment Plan 1,516.97

142.1 · A/R - Residential/Commercial 248,110.49

**Total 142 · Customer AR - Gas Sales 249,627.46**

**143 · Other Accounts Receivable**

143.1 · A/R - Forexco, Inc. -3,687.50

**Total 143 · Other Accounts Receivable -3,687.50**

**144 · Allow for Uncollectibles -15,100.00**

**Total Accounts Receivable 230,839.96**

**Other Current Assets**

**146 · Due to/from Subsidiary**

146.2 · Citigas, LLC inter-co balance 2,119.41

146.1 · LBU, LLC inter-co balance 406.00

**Total 146 · Due to/from Subsidiary 2,525.41**

**145 · Receivables**

145.5 · Transportation Fees Receivable 4,995.74

**Total 145 · Receivables 4,995.74**

**Total Other Current Assets 7,521.15**

**Total Current Assets 359,567.71**

**Fixed Assets**

**365 · Property & Equipment (365-399)**

369 · Prison Pipeline 364,465.83

367.1 · Pipeline - 3" 456,479.96

367.2 · Pipeline - 4" 1,008,793.48

376.1 · Pipeline - 1" & 2" 386,662.95

376.2 · Pipeline - 6" 492,615.37

376.3 · Pipeline Line - Steel 1,048,723.97

377 · Compressor Site 137,035.18

378 · Meas & Reg Station Equip 9,660.77

382 · Equipment - Meters/Setup 762,847.78

385 · Reg/Ordorant Station 12,474.06

390 · Office Building 125,000.00

391 · Office Furniture & Equipment 11,011.80

391.1 · Software 16,801.32

393 · Automobiles/Vehicles 75,218.62

396 · Equipment - DW/Other 77,293.58

**Total 365 · Property & Equipment (365-399) 4,985,084.67**

**Citipower, L. L. C.**  
**Balance Sheet**  
 As of December 31, 2003

	Dec 31, 03
400 · Accumulated Depreciation	-1,774,050.91
<b>Total Fixed Assets</b>	<b>3,211,033.76</b>
<b>Other Assets</b>	
123 · Investment in Subsidiaries	
123.2 · Citigas, LLC investment	1,589,427.55
123.1 · LBU, LLC investment	2,442,044.62
<b>Total 123 · Investment in Subsidiaries</b>	<b>4,031,472.17</b>
301 · Intangible Plant	
301.4 · Utility Deposits	300.00
<b>Total 301 · Intangible Plant</b>	<b>300.00</b>
<b>Total Other Assets</b>	<b>4,031,772.17</b>
<b>TOTAL ASSETS</b>	<b>7,602,373.64</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
232 · Accounts Payable	151,198.73
<b>Total Accounts Payable</b>	151,198.73
<b>Other Current Liabilities</b>	
231 · Notes Payable	
231.1 · Note Payable Bank of McCreary	993,173.81
<b>Total 231 · Notes Payable</b>	993,173.81
235 · Customer Deposits	
235.1 · Customer Security Deposits	6,100.00
<b>Total 235 · Customer Deposits</b>	6,100.00
236 · Taxes Accrued	
236.2 · Sales Tax Payable	2,339.02
236.4 · School Tax Payable	6,804.98
<b>Total 236 · Taxes Accrued</b>	9,144.00
237 · Interest Accrued	5,558.00
238 · Other Liabilities	227.50
<b>Total Other Current Liabilities</b>	1,014,203.31
<b>Total Current Liabilities</b>	<b>1,165,402.04</b>
<b>Long Term Liabilities</b>	
224.6 · Note Payable - LBU	245,000.00
<b>Total Long Term Liabilities</b>	<b>245,000.00</b>
<b>Total Liabilities</b>	<b>1,410,402.04</b>
<b>Equity</b>	
218.8 · "D" Unit Distributions	-80,857.50
218.6 · "C" Unit Distributions	-110,118.22
216 · Ret Earnings (215 or 216)	-3,117,041.61

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Accrual Basis

**Citipower, L. L. C.**  
**Balance Sheet**  
As of December 31, 2003

	<u>Dec 31, 03</u>
218 · Non Corp Proprietorship	
218.7 · Class D - 7% Preferred	583,686.95
218.5 · Class C - 7% Preferred	466,574.52
218.1 · Members Capital Contributions	<u>8,722,257.52</u>
Total 218 · Non Corp Proprietorship	9,772,518.99
Net Income	<u>-272,530.06</u>
Total Equity	<u>6,191,971.60</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>7,602,373.64</u></u></b>