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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION WA0009
	PERIOD ENDED December, 2013
	BORROWER NAME Orcas Power & Light Cooperative
INSTRUCTIONS - See help in the online application.	

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects.

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

Randy Cornelius

3/21/2014

DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	20,418,225	21,431,278	21,763,248	2,683,867
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	7,240,696	7,514,128	7,521,280	1,125,500
4. Transmission Expense	126,986	70,117	48,772	1,692
5. Regional Market Expense	0	0	0	0
6. Distribution Expense - Operation	2,805,587	2,968,003	3,227,816	251,265
7. Distribution Expense - Maintenance	1,518,742	1,669,524	1,444,121	144,501
8. Customer Accounts Expense	809,149	853,211	971,400	69,349
9. Customer Service and Informational Expense	374,727	529,465	463,055	149,187
10. Sales Expense	20,517	16,641	23,690	193
11. Administrative and General Expense	2,677,593	2,632,899	3,036,026	18,496
12. Total Operation & Maintenance Expense (2 thru 11)	15,573,997	16,253,988	16,736,160	1,760,183
13. Depreciation and Amortization Expense	2,652,194	2,719,560	2,806,552	231,560
14. Tax Expense - Property & Gross Receipts	148,180	183,727	148,019	15,311
15. Tax Expense - Other	684,040	746,755	775,412	86,565
16. Interest on Long-Term Debt	759,687	786,193	811,379	66,512
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	0	0	0	0
19. Other Deductions	3,265	2,850	3,286	0
20. Total Cost of Electric Service (12 thru 19)	19,821,363	20,693,073	21,280,808	2,160,131
21. Patronage Capital & Operating Margins (1 minus 20)	596,862	738,205	482,440	523,736
22. Non Operating Margins - Interest	32,228	33,261	33,316	2,883
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	145,018	162,005	137,553	1,254
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	40,416	38,048	50,672	0
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	814,524	971,519	703,981	527,873

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION

BORROWER DESIGNATION

WA0009

PERIOD ENDED

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INSTRUCTIONS - See help in the online application.

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	121	126	5. Miles Transmission	42.65	42.65
2. Services Retired		119	6. Miles Distribution – Overhead	157.00	158.86
3. Total Services in Place	14,738	14,745	7. Miles Distribution - Underground	1,121.60	1,126.63
4. Idle Services (Exclude Seasonals)	1,066	982	8. Total Miles Energized (5 + 6 + 7)	1,321.25	1,328.14

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	86,319,230	30. Memberships	55,655
2. Construction Work in Progress	2,392,835	31. Patronage Capital	36,278,601
3. Total Utility Plant (1 + 2)	88,712,065	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort.	36,208,088	33. Operating Margins - Current Year	813,708
5. Net Utility Plant (3 - 4)	52,503,977	34. Non-Operating Margins	157,810
6. Non-Utility Property (Net)	426,272	35. Other Margins and Equities	4,024,439
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	41,330,213
8. Invest. in Assoc. Org. - Patronage Capital	375,930	37. Long-Term Debt - RUS (Net)	3,508,595
9. Invest. in Assoc. Org. - Other - General Funds	7,000	38. Long-Term Debt - FFB - RUS Guaranteed	12,548,441
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	558,274	39. Long-Term Debt - Other - RUS Guaranteed	0
11. Investments in Economic Development Projects	0	40. Long-Term Debt Other (Net)	2,576,009
12. Other Investments	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
13. Special Funds	2,174,070	42. Payments – Unapplied	1,062,570
14. Total Other Property & Investments (6 thru 13)	3,541,546	43. Total Long-Term Debt (37 thru 41 - 42)	17,570,475
15. Cash - General Funds	599,279	44. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	30,872	45. Accumulated Operating Provisions and Asset Retirement Obligations	0
17. Special Deposits	0	46. Total Other Noncurrent Liabilities (44 + 45)	0
18. Temporary Investments	0	47. Notes Payable	0
19. Notes Receivable (Net)	0	48. Accounts Payable	1,732,736
20. Accounts Receivable - Sales of Energy (Net)	2,132,083	49. Consumers Deposits	86,161
21. Accounts Receivable - Other (Net)	146,216	50. Current Maturities Long-Term Debt	543,683
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt - Economic Development	0
23. Materials and Supplies - Electric & Other	2,141,563	52. Current Maturities Capital Leases	0
24. Prepayments	122,451	53. Other Current and Accrued Liabilities	696,741
25. Other Current and Accrued Assets	876,060	54. Total Current & Accrued Liabilities (47 thru 53)	3,059,321
26. Total Current and Accrued Assets (15 thru 25)	6,048,524	55. Regulatory Liabilities	0
27. Regulatory Assets	0	56. Other Deferred Credits	168,526
28. Other Deferred Debits	34,488	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	62,128,535
29. Total Assets and Other Debits (5+14+26 thru 28)	62,128,535		

<p style="text-align: center;">UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</p>	<p>BORROWER DESIGNATION WA0009</p>
<p>INSTRUCTIONS - See help in the online application.</p>	<p>PERIOD ENDED December, 2013</p>
<p>PART D. NOTES TO FINANCIAL STATEMENTS</p>	

<p style="text-align: center;">UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION</p>	<p>BORROWER DESIGNATION WA0009</p>
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<p>PART D. CERTIFICATION LOAN DEFAULT NOTES</p>	

**FINANCIAL AND OPERATING REPORT
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INSTRUCTIONS - See help in the online application.

PART E. CHANGES IN UTILITY PLANT

PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)
1. Distribution Plant	55,623,235	2,327,390	424,958		57,525,667
2. General Plant	7,891,426	1,003,740	161,876		8,733,290
3. Headquarters Plant	1,915,953	409,242	0		2,325,195
4. Intangibles	992,454	0	0		992,454
5. Transmission Plant	16,370,315	377,382	52,133		16,695,564
6. Regional Transmission and Market Operation Plant					
7. All Other Utility Plant	47,060				47,060
8. Total Utility Plant in Service (1 thru 7)	82,840,443	4,117,754	638,967		86,319,230
9. Construction Work in Progress	1,425,010	967,826			2,392,836
10. Total Utility Plant (8 + 9)	84,265,453	5,085,580	638,967		88,712,066

PART F. MATERIALS AND SUPPLIES

ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	1,502,931	1,981,158	55,826	1,370,881		(27,471)	2,141,563
2. Other	0						0

PART G. SERVICE INTERRUPTIONS

ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE				TOTAL (e)
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)	
1. Present Year	0.000	0.000	40.000	20.000	60.000
2. Five-Year Average	145.000	0.000	42.000	129.000	316.000

PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS

1. Number of Full Time Employees	51	4. Payroll - Expensed	3,099,473
2. Employee - Hours Worked - Regular Time	109,677	5. Payroll - Capitalized	629,463
3. Employee - Hours Worked - Overtime	3,586	6. Payroll - Other	838,469

PART I. PATRONAGE CAPITAL

ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)
1. Capital Credits - Distributions	a. General Retirements	892,066	6,110,865
	b. Special Retirements	302,940	3,454,389
	c. Total Retirements (a + b)	1,195,006	9,565,254
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power		
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	38,048	
	c. Total Cash Received (a + b)	38,048	

PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE

1. Amount Due Over 60 Days	\$ 9,453	2. Amount Written Off During Year	\$ 25,653
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PART K. kWh PURCHASED AND TOTAL COST

No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Bonneville Power Admin	1738			217,913,854	7,647,806	3.51		
2	*Miscellaneous	700000	Net metering	Hydro	65,185	3,032	4.65		
3	*Adjustments	600000	BPA Settlement	Hydro		(136,710)	0.00		
	Total				217,979,039	7,514,128	3.45		

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PART K. kWh PURCHASED AND TOTAL COST		
No	Comments	
1		
2		
3		

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PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
	TOTAL		

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION WA0009	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December, 2013	
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 5/4/2013	2. Total Number of Members 11,131	3. Number of Members Present at Meeting 231	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail 2,480	6. Total Number of Board Members 7	7. Total Amount of Fees and Expenses for Board Members \$ 170,731	8. Does Manager Have Written Contract? N

RUS Financial and Operating Report Electric Distribution

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION WA0009
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PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	3,508,595	135,759	191,320	327,079
2	National Rural Utilities Cooperative Finance Corporation	2,576,009	152,831	110,856	263,687
3	CoBank, ACB				
4	Federal Financing Bank	12,548,441	497,603	208,792	706,395
5	RUS - Economic Development Loans				
6	Payments Unapplied	1,062,570			
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
	TOTAL	17,570,475	786,193	510,968	1,297,161

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION WA0009
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PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY

CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	12,801	12,852	
	b. kWh Sold			148,603,549
	c. Revenue			15,707,405
2. Residential Sales - Seasonal	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
3. Irrigation Sales	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,938	1,934	
	b. kWh Sold			57,956,032
	c. Revenue			5,467,455
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
6. Public Street & Highway Lighting	a. No. Consumers Served	6	6	
	b. kWh Sold			1,153
	c. Revenue			28,260
7. Other Sales to Public Authorities	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. Total No. of Consumers (lines 1a thru 9a)		14,745	14,792	
11. Total kWh Sold (lines 1b thru 9b)				206,560,734
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				21,203,120
13. Transmission Revenue				
14. Other Electric Revenue				228,158
15. kWh - Own Use				502,294
16. Total kWh Purchased				217,979,039
17. Total kWh Generated				
18. Cost of Purchases and Generation				7,584,245
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				63,800

UNITED STATES DEPARTMENT OF AGRICULTURE
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**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

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INSTRUCTIONS - See help in the online application.

PART P. ENERGY EFFICIENCY PROGRAMS

CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers (a)	Amount Invested (b)	Estimated MMBTU Savings (c)	No. of Consumers (d)	Amount Invested (e)	Estimated MMBTU Savings (f)
1. Residential Sales (excluding seasonal)	403	544,281	2,091	1,502	1,291,867	5,472
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less	46	170,856	2,846	112	380,001	4,995
5. Comm. and Ind. Over 1000 KVA						
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale – RUS Borrowers						
9. Sales for Resale – Other						
10. Total	449	715,137	4,937	1,614	1,671,868	10,467

RUS Financial and Operating Report Electric Distribution

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UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

BORROWER DESIGNATION
WA0009

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION
INVESTMENTS, LOAN GUARANTEES AND LOANS**

PERIOD ENDED
December, 2013

INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)

No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
1	Non-Utility Property (NET)				
	Fiber Optics Division	426,272			
	Totals	426,272			
2	Investments in Associated Organizations				
	Misc. Memberships	6,000	1,000		
	Misc. Patronage Capital	41,710	220,569	15,013	
	Federated Rural Electric Stock Certificate	113,651		23,035	
	CFC Capital Term Certificate		558,274	24,477	
	Totals	161,361	779,843	62,525	
5	Special Funds				
	CFC Select Notes		1,533,112		
	Washington Federal Savings		216,650		
	Home Street Bank		104,959		
	CoBank		151,628		
	Islanders Bank (Project Pal & More)		167,722		
	Totals		2,174,071		
6	Cash - General				
	Key Bank		(166,100)		
	Islanders Bank	237,957	250,000		
	Wells Fargo	26,822	250,000		
	Petty Cash	600			
	Totals	265,379	333,900		
9	Accounts and Notes Receivable - NET				
	Custom Orders	73,320			
	AR Employees	(2,560)			
	AR Fiber Optics Division	75,457			
	Totals	146,217			
11	TOTAL INVESTMENTS (1 thru 10)	999,229	3,287,814	62,525	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION WA0009
	PERIOD ENDED December, 2013

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PART Q. SECTION II. LOAN GUARANTEES

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				
	TOTAL (Included Loan Guarantees Only)				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS	BORROWER DESIGNATION WA0009
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SECTION III. RATIO

RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]	1.13 %
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SECTION IV. LOANS

No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				