

GRAND RIVER DAM AUTHORITY
CONTINUING DISCLOSURE

FOR THE PERIOD ENDING DECEMBER 31, 2008

June 30, 2009

HISTORICAL OPERATING RESULTS⁽¹⁾ UNAUDITED

	2004	2005	2006	2007	2008
Operating Revenues:					
Municipal Power Sales	\$101,078,663	\$116,869,309	\$116,614,608	\$118,279,132	\$116,375,670
Electric Cooperative Power Sales	18,505,962	23,228,031	26,144,914	26,249,680	27,137,644
Industrial Power Sales	20,049,659	22,748,028	24,997,953	25,960,433	26,975,259
Off System Power Sales - Firm	53,572,471	60,021,769	55,890,706	55,023,861	55,231,023
Off System Power Sales - Spot	20,716,065	17,377,449	4,136,057	30,044,533	52,485,735
Other Power Sales ⁽²⁾	5,246,951	5,156,961	6,207,254	5,851,260	6,836,940
Collection of Power Cost Adjustment	0	13,009,632	37,015,594	35,490,190	28,899,006
Gross Power Sales	\$219,169,771	\$258,411,179	\$271,007,086	\$296,899,089	\$313,941,277
Other Operating Revenues	15,581,629	9,437,297	11,099,095	10,004,225	7,118,751
Total Operating Revenues	\$234,751,400	\$267,848,476	\$282,106,181	\$306,903,314	\$321,060,028
Operating Expenses:					
Fuel-CFC	\$56,396,020	\$61,999,460	\$65,511,590	\$75,652,926	\$90,710,012
Fuel-Redbud	\$0	\$0	\$0	\$0	\$7,630,938
Electric Production (excluding fuel)					
Coal Fired Plants ⁽³⁾	18,334,512	12,820,070	19,532,765	15,113,933	17,768,175
Redbud Plant	0	0	0	0	953,885
Pensacola Hydro	1,700,130	2,046,158	2,215,249	2,088,470	1,860,031
Markham Ferry Hydro	4,026,856	1,774,782	1,976,514	2,696,171	2,703,126
Salina Pumped Storage	1,048,734	2,242,794	1,655,353	1,384,996	1,324,402
Other Operating Expenses ⁽⁴⁾	15,070,002	21,833,822	18,109,364	17,209,965	22,256,144
Transmission	10,176,596	13,745,455	15,554,392	18,577,313	17,492,282
Purchased Power	14,646,299	47,980,861	57,142,790	28,974,960	30,339,495
Total Operating Expenses	\$121,399,149	\$164,443,402	\$181,698,017	\$161,698,734	\$193,038,490
Net Operating Revenues	\$113,352,251	\$103,405,074	\$100,408,164	\$145,204,580	\$128,021,538
Other Income ⁽⁵⁾	8,665,074	10,971,748	11,464,743	19,691,690	14,929,690
Net Revenues Available for Bond Service	\$122,017,325	\$114,376,822	\$111,872,907	\$164,896,270	\$142,951,228
Other Available Funds ⁽⁶⁾	0	0	0	0	28,104,674
Total Funds Available for Bond Service	\$122,017,325	\$114,376,822	\$111,872,907	\$164,896,270	\$171,055,902
Bond Service	95,326,966	95,491,484	95,480,729	95,429,572	102,645,122
Balance After Bond Service⁽⁷⁾	\$26,690,359	\$18,885,338	\$16,392,178	\$69,466,698	\$68,410,780
Refund of Power Cost Adjustment	(9,507,983)	0	0	0	0
Available for Capital Improvements or Other Authorized Purposes	\$17,182,376	\$18,885,338	\$16,392,178	\$69,466,698	\$68,410,780
Bond Service Coverage Including PCA⁽⁸⁾	1.18	1.20	1.17	1.73	1.67

(1) Excludes interdepartmental sales and expenses. Also excludes depreciation, which is not included in Maintenance and Operation Costs, as defined in the resolution, and does not require a cash outlay.

(2) Includes sales to Oklahoma Municipal Power Authority. Oklahoma Municipal Power Authority's portion includes its share of Authority debt service relating to GRDA 2 and common facilities, transmission service, fuel costs, fixed and variable operating expenses and administrative and general expenses.

(3) Reflects the Authority's 62% undivided ownership of GRDA Unit 2.

(4) Includes water operations and maintenance, lake patrol, customer accounting and administrative and general expenses.

(5) Consists primarily of interest income. Excludes amortization of forward investment contract receipts of \$1,201,640, \$1,124,604, \$1,198,457, \$1,198,457, and \$1,201,740 in 2004, 2005, 2006, 2007, and 2008 respectively. Also excludes change in fair value of instruments of (\$1,690,872), (\$1,967,210), (\$171,278), \$2,840,957, and \$3,287,302 in 2004, 2005, 2006, 2007, and 2008 respectively, interest income restricted for construction of \$457,165, \$284,776, \$233,409, \$146,363, and \$13,610 in 2004, 2005, 2006, 2007, and 2008 respectively, interest income restricted for special purposes of \$4,535, \$6,973, \$14,802, \$13,102, and \$7,860 in 2004, 2005, 2006, 2007, and 2008 respectively, and allowance for funds used during construction of \$224,732, \$860,403, \$1,924,635 in 2006, 2007, and 2008 respectively.

(6) Excess funds from 1982 Construction Funds utilized for bond principal payments.

(7) Funds available for Power Cost Adjustment, capital expenditures and other lawful purposes.

(8) Total Funds Available for Bond Service divided by Bond Service.

Selected Fund Balances
As of December 31, 2008

	Balance	Interest Receivable	Total
Restricted for:			
Bond Service Reserve Account ⁽¹⁾	141,560,059.76		141,560,059.76
Reserve and Contingency Account	35,390,014.69		35,390,014.69
Construction Account ⁽¹⁾	241,949,727.58	298,099.70	242,247,827.28
2002 Construction Account	0.00	0.00	0.00
Bond Service Account ⁽¹⁾	51,568,436.72	77,707.57	51,646,144.29
Pensacola Mitigation Fund	380,704.52	443.29	381,147.81
The Nature Conservancy Fund	27,000.00		27,000.00
Supplemental Reserve & Cont Fund I	12,500,000.00		12,500,000.00
Supplemental Reserve & Cont Fund II	15,000,000.00		15,000,000.00
Unrestricted:			
General Operating Accounts	56,055,494.82	1,458,893.69	57,514,388.51

(1) Deposits in and interest receivable to these accounts, not legally restricted, have been reclassified as General Operating.

**OPERATING REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	SALES (1000 KWH)	REVENUES (BEFORE PCA)	REVENUES (AFTER PCA)
COOPERATIVES	605,556	\$27,137,644	\$30,088,494
MUNICIPALITIES	3,047,991	116,375,670	130,847,247
INDUSTRIAL	686,806	26,975,259	30,305,713
OTHER POWER SALES ⁽¹⁾	181,709	6,836,941	6,836,941
OFF SYSTEM SALES - FIRM	1,660,683	55,231,023	63,377,147
TOTAL CONTRACT SALES	6,182,745	\$232,556,537	\$261,455,542
OFF SYSTEM SALES - SPOT	864,608	52,485,735	52,485,735
UNDER/(OVER) COLLECTED PCA			2,687,159
TOTAL POWER SALES ⁽²⁾	7,047,353	\$285,042,272	\$316,628,436
OTHER OPERATING REVENUES ⁽²⁾			7,118,751
TOTAL OPERATING REVENUES	7,047,353	\$285,042,272	\$323,747,187

(1) GRDA UNIT 2 OUTPUT POWER SALES TO OKLAHOMA MUNICIPAL POWER AUTHORITY

(2) DOES NOT REFLECT INTERDEPARTMENTAL SALES.

**ELECTRIC COOPERATIVES
PEAK DEMAND, SALES, AND REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2008**

CUSTOMER	CUSTOMER SINCE	CONTRACT EXPIRES	PEAK KW DEMAND	SALES (1000 KWH)	AUTHORITY REVENUES⁽¹⁾
NORTHEASTERN OKLAHOMA ELECTRIC COOPERATIVE INC.	1946	2013	158,966	605,556	\$30,088,494
TOTAL				<u>605,556</u>	<u>\$30,088,494</u>

(1) AFTER APPLICATION OF POWER COST ADJUSTMENT.

**MUNICIPALITIES
PEAK DEMAND, SALES, AND REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2008**

CUSTOMER	CUSTOMER SINCE	CONTRACT EXPIRES	PEAK KW DEMAND	SALES (1000 KWH)	AUTHORITY REVENUES ⁽¹⁾
<u>MUNICIPAL CONTRACTS:</u>					
CITY OF COFFEYVILLE, KANSAS	1999	2042	115,636	747,081	\$29,707,060
STILLWATER UTILITIES AUTHORITY	1987	2012	90,642	443,212	18,230,101
CLAREMORE PUBLIC WORKS AUTHORITY	1946	2042	77,946	303,227	13,918,108
CITY OF SILOAM SPRINGS, ARKANSAS	1989	2042	59,588	259,563	11,488,596
MIAMI PUBLIC UTILITIES BOARD	1947	2042	50,006	206,287	9,212,462
TAHLEQUAH PUBLIC WORKS AUTHORITY	1947	2042	47,461	193,296	9,084,760
SALLISAW MUNICIPAL AUTHORITY	1952	2042	29,435	124,107	5,955,669
CITY OF PRYOR CREEK MUNICIPAL UTILITY BOARD	1951	2042	29,767	106,183	4,896,117
CUSHING MUNICIPAL AUTHORITY	1953	2042	26,260	103,694	4,687,771
WAGONER PUBLIC WORKS AUTHORITY	1947	2042	24,470	95,924	4,546,045
STILWELL AREA DEVELOPMENT AUTHORITY	1950	2042	17,729	86,574	3,947,371
BYNG PUBLIC WORKS AUTHORITY	1992	2017	11,100	64,739	2,779,878
COLLINSVILLE MUNICIPAL AUTHORITY ⁽²⁾	2003	2042	12,669	44,910	2,093,337
MANNFORD PUBLIC WORKS AUTHORITY	2003	2013	9,028	40,564	1,832,123
STROUD UTILITIES AUTHORITY	1986	2042	8,291	31,191	1,489,110
LINDSAY PUBLIC WORKS AUTHORITY	2000	2025	8,392	30,184	1,368,661
SKIATOOK PUBLIC WORKS AUTHORITY	1977	2042	18,247	65,908	1,331,444
PAWNEE PUBLIC WORKS AUTHORITY	1953	2042	6,320	22,443	1,088,304
CHICKASAW TRIBAL UTILITIES AUTHORITY	1992	2017	2,764	13,961	629,011
Unbilled Revenues			0	(31,483)	(1,388,386)
TOTAL MUNICIPAL CONTRACTS				2,951,565	\$126,897,542
<u>REPLACEMENT ENERGY:</u>					
STILLWATER UTILITIES AUTHORITY				96,426	3,949,705
TOTAL REPLACEMENT ENERGY				96,426	\$3,949,705
TOTAL MUNICIPALITIES				3,047,991	\$130,847,247

(1) AFTER APPLICATION OF POWER COST ADJUSTMENT.

(2) CUSTOMER FROM 1946 THROUGH 1993 AND FROM 2003 TO PRESENT.

**TEN LARGEST INDUSTRIAL CUSTOMERS
PEAK DEMAND, SALES, AND REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2008**

CUSTOMER	PRODUCT	CUSTOMER SINCE	PEAK KW DEMAND	SALES (1000 KWH)	AUTHORITY REVENUES ⁽¹⁾
Air Products Manufacturing Corporation	Industrial Gases	1976	20,380	157,393	\$6,398,084
Solae, LLC	Food Supplements	1975	17,401	137,188	5,621,858
Orchids Paper Products Company	Paper Products	1975	5,051	74,034	3,210,462
American Castings, LLC	Iron Castings	2003	4,172	60,292	2,614,201
National Gypsum Company	Building Products	1950	8,411	52,353	2,316,525
Armin Plastics-Central Region	Plastic Bags	1990	4,267	40,986	1,696,721
Wal-Mart Stores East, LP	Distribution Center	2005	4,171	24,978	1,113,246
Georgia Pacific Corporation	Paper Products	1954	5,236	15,471	1,027,180
Oklahoma Ordnance Works Authority	Industrial Park Owner	1946	3,154	15,722	741,218
Chevron Phillips Chemical Company LP	Plastic Pipe	1966	2,593	16,096	703,137
All Others				92,293	4,863,081
TOTAL INDUSTRIAL				686,806	\$30,305,713

(1) AFTER APPLICATION OF POWER COST ADJUSTMENT.

**OFF SYSTEM SALES - FIRM
PEAK DEMAND, SALES AND REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2008**

CUSTOMER	CUSTOMER SINCE	CONTRACT EXPIRES	PEAK KW DEMAND	SALES (1000 KWH)	AUTHORITY REVENUES ⁽¹⁾
Paragould, Arkansas, Light and Water Commission	1992	2038	60,000	504,521	\$19,101,466
Kansas Municipal Energy Agency ⁽²⁾	2000	2026	57,000	528,789	20,052,450
City of Poplar Bluff, Missouri	1992	2039	40,000	336,346	12,738,280
City Utilities, Springfield, Missouri ⁽³⁾	1992	2010	60,000	93,414	3,797,503
Subtotal				1,463,070	\$55,689,699
Oklahoma Municipal Power Agency	2007	2040	25,000	197,613	\$7,687,448
Subtotal				197,613	\$7,687,448
Total Off System Sales - Firm				1,660,683	\$63,377,147

(1) AFTER APPLICATION OF POWER COST ADJUSTMENT.

(2) CONTRACT DEMAND WILL INCREASE IN 2009

(3) CONTRACT DEMAND FROM ZERO - 60 MW.

**OFF SYSTEM SALES - SPOT
FOR THE YEAR ENDED DECEMBER 31, 2008**

CUSTOMER	2004	2005	2006	2007	2008
WESTERN FARMERS ELECTRIC COOP.	\$4,903,236	\$3,633,855	\$1,592,351	\$8,368,073	\$15,266,383
ASSOCIATED ELECTRIC COOP., INC.	3,186,324	2,191,646	244,495	10,313,464	14,929,552
SOUTHWEST POWER POOL				2,931,273	8,527,127
KANSAS CITY POWER & LIGHT	739,226	1,248,797	26,335	660,971	3,689,148
THE ENERGY AUTHORITY	81,314	115,335		984,213	2,290,325
EMPIRE DISTRICT ELECTRIC COOP.	3,658,545	1,571,749	738,516	1,399,776	1,864,426
WESTERN RESOURCES	3,284,983	2,923,657	661,265	541,636	1,351,976
AMERICAN ELECTRIC POWER (SWEPCO)	1,383,559	708,974	183,253	1,687,658	1,266,383
CARGILL-ALLIANT	1,565,625	297,964	3,660	938,934	1,183,924
RAINBOW ENERGY	297,190	1,268,746	159,942	1,464,249	649,471
REDBUD					601,308
ENDURE ENERGY					381,438
TENASKA POWER SERVICES	354,210	849,978	396,041	327,392	371,390
SUNFLOWER ELECTRIC POWER	2,008	32,406	31,368	5,150	44,462
AQUILLA POWER	821,504	1,869,094	61,590	271,498	21,320
OKLAHOMA GAS & ELECTRIC	84,334	3,438	9,785	11,693	13,391
BOARD OF PUBLIC UTILITIES KANSAS CITY	783	656	2,302	2,750	5,504
CLECO CORPORATION	4,346	3,175	1,677	2,905	5,072
ENTERGY	2,200	2,400	2,000	7,850	3,848
SOUTHWESTERN PUBLIC SERVICE	3,014	4,470	3,400	9,300	3,717
AMEREN	33,650				3,600
CONSTELLATION POWER SOURCE	30,545	25,708	3,582	5,800	3,126
SOUTH MISSISSIPPI			450	2,300	2,200
LOUISIANA ENERGY			256	150	1,900
LOUISIANA GENERATING	1,986	4,847	3,600	7,450	1,500
CITY OF INDEPENDENCE LIGHT & POWER	3,125	679	1,057	475	1,100
OKLAHOMA MUNICIPAL POWER AUTHORITY	108		146		648
LAFAYETTE UTILITY SYSTEM	1,065	150	4,600	825	602
MISSOURI PUBLIC SER/UTILICORP	784	1,160	3,483	1,825	600
KANSAS MUNICIPAL ENERGY AGENCY					170
SOUTHWESTERN POWER ADM.	279	155	403	124	124
CALPINE	57,396				
ENTERGY - KOCH POWER SERVICES	7,068				
OMAHA PUBLIC	4,500	40,000		96,800	
WEST PLAINS	545	300	500		
BRASCAN ENERGY	202,240	575,000			
CINERGY		3,000			
LOUIS DREYFUS ELECTRIC POWER, INC.	372	110			
LUBBOCK					
CORAL POWER					
OG&E ENERGY RESOURCES					
ONEOK POWER MARKETING CO.					
CONOCO INC.					
TOTAL OFF SYSTEMS SALES - SPOT	\$20,716,065	\$17,377,449	\$4,136,057	\$30,044,533	\$52,485,735

EQUIVALENT AVAILABILITY PERCENTAGES

<u>Year</u>	<u>GRDA 1⁽¹⁾</u>	<u>GRDA 2⁽¹⁾</u>	<u>NERC⁽²⁾</u>
1999	89.9%	86.7%	81.8%
2000	87.8%	75.3% ⁽³⁾	84.3%
2001	87.0%	83.2%	82.4%
2002	83.6%	85.2%	82.8%
2003	91.9%	86.6%	83.6%
2004	75.9% ⁽³⁾	86.5%	84.9%
2005	87.9%	79.3%	83.4%
2006	87.4%	70.7% ⁽³⁾	84.5%
2007	92.4%	86.8%	82.5%
2008	90.0%	88.7%	NA

(1) Percentages provided by GRDA Coal Fired Complex Management.

(2) Percentages from NERC Website for Coal Primary Units with
400-599MW Nameplate at <http://www.nerc.com>

(3) Reflects scheduled major maintenance overhauls lasting nine weeks.

HISTORICAL ENERGY REQUIREMENTS AND RESOURCES (MWH)

Year	Total Sales	Sales plus Losses ⁽¹⁾	Resources						Total
			Run-of-River Hydro Generation	Pumped-Storage Hydro Generation	Combined Cycle Gas Generation	Steam Generation	Purchased Power ⁽²⁾	SWPA Allocation ⁽³⁾	
1999	5,601,511	6,127,376	805,702	169,971	0	5,178,051	(60,580)	34,232	6,127,376
2000	5,689,928	6,337,683	404,508	239,824	0	5,323,619	342,445	27,287	6,337,683
2001	5,615,418	6,096,992	494,221	227,263	0	5,209,614	142,570	23,324	6,096,992
2002	5,576,181	6,134,436	417,758	279,642	0	5,178,284	229,391	29,361	6,134,436
2003	6,005,273	6,700,865	362,757	376,792	0	5,734,196	203,072	24,048	6,700,865
2004	6,165,018	6,972,052	844,100	443,913	0	5,099,124	547,293	37,622	6,972,052
2005	6,701,330	7,187,973	687,192	276,189	0	5,361,969	828,723	33,900	7,187,973
2006	6,098,027	6,551,712	140,975	199,626	0	5,029,856	1,163,942	17,313	6,551,712
2007	6,674,739	7,269,204	808,193	267,255	0	5,630,573	527,821	35,362	7,269,204
2008	7,047,353	7,666,513	1,140,029	279,154	239,073	5,612,618	343,244	52,395	7,666,513

(1) Sales plus losses, pumping and interdepartmental use.

(2) Includes replacement energy plus net energy from banking arrangements.

(3) GRDA is scheduling agent for Skiatook and Coffeyville allocation of SWPA (Southwestern Power Administration) hydro power.

HISTORICAL CONTRACT DEMAND AND RESOURCES (MW)

Year	Delivered Contract Peak Demand ⁽¹⁾	Undelivered Contract Peak Demand ⁽²⁾	Total Contract Peak Demand	Contract Peak Demand plus Reserves ⁽³⁾	Resources			Total
					Hydro Generation ⁽⁴⁾	Steam Generation ⁽⁵⁾	Purchased Power ⁽⁶⁾	
1998	1,124	0	1,124	1,269	470	812	0	1,282
1999	1,079	0	1,079	1,224	477	812	0	1,289
2000	1,098	0	1,098	1,250	482	812	25	1,319
2001	1,072	0	1,072	1,225	486	812	90	1,388
2002	1,024	0	1,024	1,177	490	812	90	1,392
2003	1,009	79	1,088	1,122	494	812	90	1,396
2004	1,107	0	1,107	1,141	494	812	0	1,306
2005	1,210	0	1,210	1,243	494	812	0	1,306
2006	1,085	0	1,085	1,117	494	812	0	1,306
2007	1,115	0	1,115	1,147	494	812	206	1,512
2008	1,130	0	1,130	1,162	500	812	228	1,540

(1) Excludes the portion of KAMO's demand supplied from KAMO's 38% ownership interest in GRDA Unit 2, which was placed in commercial operation April 1, 1986 and power purchased from other sources effective July 1, 1998.

(2) Schedules interrupted by the Southwest Power Pool (SPP) for line loading relief.

(3) Beginning in 2000, planning reserves are 12% of total capacity. Currently SPP calculates reserves based on 100% of the capability of the largest and 50% of the second largest SPP units times the ratio of generating capability of participating SPP members.

(4) Includes Pensacola, Markham Ferry and Salina Pumped Storage capability. The Salina Pumped Storage capacity in the amount of 260 MW is limited up to 25% daily plant factor operation and therefore suitable for peaking operations only. During 1999 two units at Pensacola were upgraded from 16 MW to 20 MW with the four remaining units being upgraded in 2000, 2001, 2002, and 2003. In 2008, the ratings for Pensacola were recalculated from 20 MW to 21 MW.

(5) Includes the Authority's 62% ownership interest in GRDA 2, which was placed in commercial operation April 1, 1986.

(6) Includes 150 MW capacity contract with Westar Energy beginning June 1, 2007, 56.2 MW capacity contract with City of Coffeyville, KS beginning August 1, 2007, and 21.45 capacity contract with Cushing Municipal Authority beginning October 1, 2007.

HISTORICAL SALES BY CUSTOMER GROUP (MWH)

Year	Cooperative	Municipal	Industrial	Other ⁽¹⁾	Off System Firm	Total Contract Sales	Off System Spot	Total Sales
1999	1,230,679	1,870,840	808,129	190,731	759,963	4,860,342	741,169	5,601,511
2000	954,320	2,218,679	675,897	161,490	1,275,929	5,286,314	403,614	5,689,928
2001	657,999	2,434,449	600,223	168,304	1,426,534	5,287,510	327,908	5,615,418
2002	510,416	2,522,446	520,369	169,838	1,440,934	5,164,003	412,178	5,576,181
2003	484,946	2,747,333	531,136	171,755	1,593,488	5,528,658	476,615	6,005,273
2004	443,742	2,850,359	593,349	170,278	1,622,823	5,680,551	484,467	6,165,018
2005	555,078	3,140,142	638,268	155,001	1,866,390	6,354,879	346,451	6,701,330
2006	583,181	2,990,548	650,148	141,144	1,642,752	6,007,773	90,254	6,098,027
2007	587,543	3,068,267	668,840	176,206	1,625,919	6,126,775	547,964	6,674,739
2008	605,556	3,047,991	686,806	181,709	1,660,683	6,182,745	864,608	7,047,353

(1) GRDA Unit 2 Output Power Sales to Oklahoma Municipal Power Authority.