

BPA NEWS

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BONNEVILLE POWER ADMINISTRATION
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CONTACT: Doug Johnson, BPA, 503-713-7658
or 503-230-5131

BPA reports strong fiscal year 2022 financial results

Portland, Ore. – The Bonneville Power Administration announced financial results that exceeded expectations for fiscal year 2022, which ended Sept. 30. The results outlined in the agency’s annual report demonstrate the agency’s financial strength, supported by record setting revenue performance and continued cost management in the face of supply chain constraints and inflationary pressures.

“Bonneville’s financial position is strong. Our FY 2022 results reflect our workforce’s ability to position the hydro system for the region’s advantage and optimize use of the transmission system,” said BPA Administrator and CEO John Hairston. “Our cost discipline continued to benefit our customers as we delivered on BPA’s mission and strategy on behalf of the Northwest.”

BPA met all of its annual performance targets and finished the year with higher-than-expected net revenues totaling \$964 million against a target of \$172 million.

“Each quarter, we have signaled our expectations that Power and Transmission were expected to have a solid year, and I’m happy to report that was in fact the case, with both business lines significantly beating net revenue targets,” said Marcus Harris, BPA’s acting chief financial officer. “And after making our planned 39th consecutive U.S. Treasury payment of roughly \$950 million, reserves balances ended the year well above our Reserves Distribution Clause thresholds.”

The Reserves Distribution Clause is a component of BPA’s Financial Reserves Policy that triggers when reserves, measured in days cash on hand, reach pre-established targets. At the end of FY 2022, agency days cash on hand was 233 days, with both Power Services and Transmission Services well above their 60-day lower thresholds. Reserves were high



enough to trigger the Reserves Distribution Clause in the amount of \$500 million for Power Services and \$63.1 million for Transmission Services.

At yesterday's Quarterly Business Review, BPA announced it will consider repurposing financial reserves for Power and Transmission rate reduction in FY 2023, as well as for other high-value business unit specific purposes. BPA will make the final decision in December after it reviews customer and stakeholder feedback.

BPA's annual report details grid modernization milestones, including joining the Western Energy Imbalance Market, which unlocks operational and economic benefits for our customers and builds a foundation to embark on future market opportunities. It also provides updates on our commitments to meet customers' needs and interests through new long-term wholesale power contracts, to enhance conditions for fish and wildlife impacted by the Federal Columbia River Power System, and to operate a reliable, resilient transmission grid.

BPA maintains high investment-grade credit ratings on nonfederal BPA-backed bonds with all three major ratings agencies – Moody's, Fitch and S&P Global. Earlier this year, Moody's upgraded BPA's outlook from stable to positive. Fitch and S&P maintained BPA's stable outlook.

Each quarter, BPA provides financial results and updates on major spending areas at the [Quarterly Business Review](#). At the end of the fiscal year, BPA publishes its [annual report](#), which is a summary of our financial position and performance.

About BPA

The Bonneville Power Administration, headquartered in Portland, Ore., is a nonprofit federal power marketer that sells wholesale electricity from 31 federal dams and one nuclear plant to 142 Northwest electric utilities, serving millions of consumers and businesses in Washington, Oregon, Idaho, western Montana and parts of California, Nevada, Utah and Wyoming. BPA delivers power via more than 15,000 circuit miles of lines and 259 substations to 490 transmission customers. In all, BPA markets about a third of the electricity consumed in the Northwest and operates three-quarters of the region's high-voltage transmission grid. BPA also funds one of the largest fish and wildlife programs in the world, and, with its partners, pursues cost-effective energy savings and operational solutions that help maintain affordable, reliable and carbon-free electric power for the Northwest. www.bpa.gov

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