Quarterly Business Review

May 3, 2010

Agenda

May 3, 2010
1:00-4:05 pm

Time	Min	Agenda Topic	Slide #	Presenter
1:00	10	Introduction and Background, Follow Ups from Last QBR	3-4	Mary Hawken
1:10	30	Financial Highlights - Review of FY 2010 Financial Status - Review 2nd Quarter Forecast Changes	5-22	Brian McConnell, Cheryl Hargin, & Kelly Miller
1:40	30	2010 IPR Update	23-28	Stephanie Adams/Mary Hawken
2:10	20	ARRA Update	29-30	Dave Barringer
2:30	30	Streamflow 2010: Past and Future	31-50	Cara McCarthy
3:00	60	Asset Management Overview	51-68	Mike DeWolf
4:00	5	Questions, Comments, Future Meeting Topics		Mary Hawken
4:05		Adjourn		
		Appendix - Power and Transmission Services Detailed - Statements of Revenues and Expenses - 1st Quarter Capital Report	69-80	

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Background of QBR

- In the Regional Dialogue Policy, BPA committed to a model which provides extensive opportunity for stakeholders as well as customers to review and give input to our forecasts of spending levels prior to finalizing them. The Integrated Program Review process we just completed is one part of the overall Integrated Business Review structure. It is designed to allow persons interested in BPA's program levels an opportunity to review and comment on all of BPA's expense and capital spending level estimates in the same forum prior to their use in setting rates. BPA intends to hold an IPR every two years, just prior to each rate case.
- The Quarterly Business Review (QBR) is the second part of the Integrated Business Review structure BPA committed to in the Regional Dialogue, and it is intended to be a forum to provide financial forecasts, current financial results compared to forecasts, periodic updates to capital plans as they change, and information on upcoming issues that could have an impact on future financial results.
- More information can be found at http://www.bpa.gov/corporate/Finance/ibr/

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Last QBR Follow Ups

- Follow ups from the February 2, 2010 QBR have been posted on the QBR website at http://www.bpa.gov/corporate/Finance/financialOverview/index.cfm#quarterly

- Follow ups address questions on the following topics:
  - Smart Grid,
  - IT Capital Requirements,
  - Power Financial Highlights, and
  - Seasonality of Financial Reserves.

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Financial Highlights

Customer Collaborative
Financial Overview for FY 2010 through March 31, 2010

Power Services

- The Modified Net Revenue forecast at Start-of-Year was $142 million and the Rate Case forecast was $114 million. The 2nd Quarter Review forecast is negative ($329) million.
- Power Services Modified Net Revenues through March are negative ($42) million.
  - This forecast of results based on actual and anticipated streamflow is sobering. While results will be different by the end of the year, we don't have reason to believe that there's much opportunity for them to be significantly different. Half of the year (the wettest part) has passed. If there is any good news in the forecast, it is that barring major market price changes, the likelihood of further significant slide downhill is as likely as a recovery – not much.
  - Although this significant deterioration causes great concern, at this point it does not appear to be bad enough to trigger the CRAC for FY 2011.
    - Power Services Total Operating Revenue forecast is $2,392 million against an end-of-year target of $2,880 million.
    - Power Services Total Expense (operating expenses and net interest) forecast is $2,697million against an end-of-year target of $2,752 million.
  - FY 2010 is currently ranked as the 5th lowest water year on record.

Transmission Services

- The Net Revenue Start-of-Year forecast for the year was $85 million and the Rate Case forecast was $82 million. The 2nd Quarter Review forecast is $101 million.
- Transmission Services Net Revenues through March are $84 million.
  - Transmission Services Revenue forecast is $876 million against an end-of-year target of $867 million.
  - Transmission Services Total Expense (operating expenses and net interest) forecast is $775 million against an end-of-year target of $782 million .
  - The healthy transmission results are buoying the agency.

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Customer Collaborative
Financial Overview for FY 2010 through March 31, 2010

Agency

- Modified Net Revenues through March are $44 million.
  - The Start-of-Year forecast was $232 million and the Rate Case forecast was $204 million. The 2nd Quarter Review forecast is negative ($233) million.
  - BPA continues to manage costs including debt service to committed levels.
  - Six months into the fiscal year Modified Net Revenues are $183 million below expectations from the Start-of-Year forecast.

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Federal Columbia River Power System (FCRPS)

FY 2010 SECOND QUARTER REVIEW

Net Revenues and Reserves

Projection for FY 2010

April 30, 2010

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

2nd Quarter Review – Executive Highlights

FY 2010
EXECUTIVE HIGHLIGHTS
April 30, 2010

	A	B	FY 2010 Current Expectation C	FY 2010 Current Expectation D
	FY 2009 Audited Actuals without Derivative Effects & Bookouts 1/	*FY 2010 SOY without Derivative Effects & Bookouts* 2/	*without Derivative Effects & Bookouts* 2/	*with Derivative Effects & Bookouts* 3/
1. REVENUES	2,941.8	3,535.1	**3,088.8**	**3,062.1**
2. EXPENSES	3,008.1	3,322.9	**3,312.1**	**3,277.4**
3. NET REVENUES 4/	(66.3)	212.2	**(223.3)** 7/	**(215.3)** 7/
4. MODIFIED NET REVENUES 4/	(187.2)	232.0	**(232.8)** 7/	**(232.8)** 7/
5. END OF YEAR FINANCIAL RESERVES 5/	1,363.0	1,291.0	**1,004.8** 7/	**1,004.8** 7/
6. BPA ACCRUED CAPITAL EXPENDITURES 6/	409.2	647.9	**653.2**	**653.2**

Footnotes

1/ Does not include mark-to-market adjustments required by derivative accounting guidance as amended or reflect the change in accounting for power "bookout" transactions made after adoption of new accounting guidance as of Oct 1, 2003. Actual Net Revenues for FY 2009 with the mark-to-market adjustments were $(101.1) million.
2/ Columns B and C do not reflect the change in accounting for power "bookout" transactions made after adoption of new accounting guidance, was effective as of Oct 1, 2003.
3/ Includes an "accounting only" (no cash impact) adjustment representing the mark-to-market (MTM) adjustment required by derivative accounting guidance as amended for identified derivative instruments.
4/ Net revenues include the effects of non-federal debt management and derivative accounting guidance as amended. Modified net revenues were line items. An example of non-federal debt management is the refinancing of ENW debt.
5/ Financial reserves equal total cash plus deferred borrowing and investments in non-marketable U.S. Treasury securities.
6/ Funded by borrowing from the U.S. Treasury.
7/ There is significant uncertainty regarding the potential financial results that could occur by the end of the year, mainly a result of water conditions, which may affect net secondary sales, and short-term market prices, which also can affect net secondary sales.

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Report ID: 0070FY10
Requesting BL: CORPT
Unit of measure: $ Thousands

Federal Columbia River Power System Statement of Revenues and Expenses
Quarterly Review at March 31, 2010
Preliminary/ Unaudited

Data Source: EPM Data Warehouse
Run Date/Time: April 23, 2010 11:02
% of Year Lapsed = 50%

		A	B	C	D	E	F
		FY 2009 Actuals	FY 2010 Start of Year Budget	FY 2010 Current End of Year Forecast	Current Forecast as a % of Budget	FY 2010 Actuals	Actuals as a % of Budget
	Operating Revenues						
1	Gross Sales (excluding bookout adjustment) <Notes 1 and 5	$2,779,584	$3,370,363	$2,885,531	86%	$1,558,417	46%
2	Bookout adjustment to Sales <Note 1	(36,814)		(34,654)		(34,654)	
3	Miscellaneous Revenues	58,093	63,402	57,824	91%	27,110	43%
4	Derivative Instruments <Note 2	(34,677)		7,986		7,986	
5	U.S. Treasury Credits	104,099	101,289	145,384	144%	59,786	59%
6	**Total Operating Revenues**	2,870,285	3,535,054	3,062,071	87%	1,618,645	46%
	Operating Expenses						
	Power System Generation Resources						
	Operating Generation Resources						
7	Columbia Generating Station	288,208	257,811	264,411	103%	114,713	44%
8	Bureau of Reclamation	78,228	87,318	87,318	100%	37,504	43%
9	Corps of Engineers	178,407	191,060	191,060	100%	78,016	41%
10	Long-term Generating Projects	28,783	30,455	32,755	108%	13,615	45%
11	Operating Generation Settlement Payment	18,170	21,328	16,712	78%	6,467	30%
12	Non-Operating Generation	(754)	2,618	2,618	100%	1,860	71%
13	Gross Contracted & Augmentation Power Purchases (excluding bookout adjustment) <Note 1	324,359	270,689	391,837	145%	239,595	89%
14	Bookout Adjustment to Contracted & Augmentation Power Purchases <Note 1	(36,814)		(34,654)		(34,654)	
15	Exchanges and Settlements <Note 5	205,171	264,528	179,820	68%	102,423	39%
16	Renewable and Conservation Generation	98,709	128,903	111,796	87%	47,884	37%
17	Subtotal Power System Generation Resources	1,182,467	1,254,711	1,243,673	99%	607,422	48%
18	Power Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 4	42,756	51,570	52,590	102%	24,565	48%
19	Power Services Non-Generation Operations	69,409	81,465	76,414	94%	32,601	40%
20	Transmission Operations	98,521	125,377	118,691	95%	48,259	38%
21	Transmission Maintenance	128,284	135,202	135,023	100%	55,948	41%
22	Transmission Engineering	27,605	28,483	25,860	91%	10,550	37%
23	Trans Services Transmission Acquisition and Ancillary Services - (3rd Party) <Notes 3 and 4	6,923	13,248	12,089	91%	3,681	28%
24	Transmission Reimbursables	8,733	9,727	9,082	93%	5,398	55%
25	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	207,569	248,126	248,568	100%	103,326	42%
	BPA Internal Support						
26	Additional Post-Retirement Contribution	32,706	33,435	33,435	100%	16,717	50%
27	Agency Services G&A	94,969	98,351	98,652	100%	47,364	48%
28	Other Income, Expenses & Adjustments	(3,978)	(3,428)	2,098	-161%	1,295	-138%
29	Non-Federal Debt Service <Note 3	501,367	642,136	612,598	95%	329,852	51%
30	Depreciation & Amortization <Note 3	355,574	371,585	368,635	99%	180,475	49%
31	**Total Operating Expenses**	2,752,905	3,089,988	3,037,408	98%	1,467,453	47%
32	**Net Operating Revenues (Expenses)**	117,379	445,066	24,663	6%	151,192	34%
	Interest Expense and (Income)						
33	Interest Expense	326,494	335,958	333,913	99%	165,370	49%
34	AFUDC	(30,710)	(34,300)	(39,600)	115%	(19,772)	58%
35	Interest Income	(77,355)	(68,697)	(54,368)	79%	(28,157)	41%
36	**Net Interest Expense (Income)**	218,430	232,961	239,945	103%	117,441	50%
37	**Net Revenues (Expenses) from Continuing Operations**	(101,050)	212,105	(215,282)	-201%	33,751	16%
38	**Net Revenues (Expenses)**	($101,050)	$212,105	($215,282)	-201%	$33,751	16%

<1 Beginning in FY 2004, actuals for Power Sales and Contracted Power Purchases are affected by the change in accounting for power "bookout" transactions after adoption of new accounting guidance as of Oct 1, 2003. Bookout transactions are not included in the Start of Year (SOY) budget or forecasted through the remaining year. Bookouts included in the Forecast column reflect actuals recorded to date.

<2 This is an "accounting only" (no cash impact) adjustment representing the mark-to-market (MTM) adjustment required by derivative accounting guidance as amended, for identified derivative instruments. The MTM adjustment is excluded in calculating Modified Net Revenues for rate setting purposes.

<3 Beginning in FY 2004, the consolidated actuals reflect the inclusion of transactions associated with a Variable Interest Entity (VIES), which is in accordance with accounting guidance for special purpose entities that is effective as of December, 2003. The SOY Budget and Current Forecast are for the Bonneville Power Administration only.

<4 The consolidated FCRPS Statement reduces reported Revenues and Expenses where between business line transactions occur, the most significant of which are for Transmission Acquisition and Ancillary Services.

<5 The Residential Exchange Program Lookback Amount (REP) applied is returned to the Consumer Owned Utilities (COUs) and recovered from the Investor Owned Utilities. Throughout the year actual revenue will be reduced by this amount to reflect the Lookback Amount refunds returned to COUs and actual REP expense will be reduced to reflect the Lookback Amount returned by the IOUs. Budgets were developed with the Lookback Amount applied as an increase to the REP expense, without adjustment to revenue. These circumstances will present actual revenue and REP expense running under budget.

Monthly Financial Reports

Report ID: 0020FY10
Requesting BL: CORPORATE BUSINESS UNIT
Unit of measure: $ Thousands

FCRPS Summary Statement of Revenues and Expenses

Through the Month Ended March 31, 2010
Preliminary/ Unaudited

Run Date/Run Time: April 23,2010/ 06:53
Data Source: EPM Data Warehouse
% of Year Lapsed = 50%

		A	B	C	D <Note 3	E
		FY 2009		FY 2010		FY 2010
		Actuals: FYTD	Actuals	SOY Budget	Current EOY Forecast	Actuals: FYTD
	Operating Revenues					
1	Gross Sales (excluding bookout adjustment) <Notes 1 and 6	$1,496,896	$2,779,584	$3,370,363	$2,885,531	$1,558,417
2	Bookout adjustment to Sales <Note 1	(23,750)	(36,814)		(34,654)	(34,654)
3	Miscellaneous Revenues	31,130	58,093	63,402	57,824	27,110
4	Derivative Instruments <Note 2	(35,023)	(34,677)		7,986	7,986
5	U.S. Treasury Credits	46,114	104,099	101,289	145,384	59,786
6	**Total Operating Revenues**	**$1,515,366**	**$2,870,285**	**$3,535,054**	**$3,062,071**	**$1,618,645**
	Operating Expenses					
	Power System Generation Resources					
	Operating Generation Resources					
7	Columbia Generating Station	165,858	288,208	257,811	264,411	114,713
8	Bureau of Reclamation	33,804	78,228	87,318	87,318	37,504
9	Corps of Engineers	71,890	178,407	191,060	191,060	78,016
10	Long-term Contract Generating Projects	13,558	28,783	30,455	32,755	13,615
11	Operating Generation Settlement Payment	10,455	18,170	21,328	16,712	6,467
12	Non-Operating Generation	(1,848)	(754)	2,618	2,618	1,860
13	Gross Contracted Power Purchases and Augmentation Power Purch <Note 1	201,525	324,359	270,689	391,837	239,595
14	Bookout Adjustment to Power Purchases <Note 1	(23,750)	(36,814)		(34,654)	(34,654)
15	Exchanges & Settlements <Note 6	102,536	205,171	264,528	179,820	102,423
16	Renewable and Conservation Generation	44,213	98,709	128,903	111,796	47,884
17	**Subtotal Power System Generation Resources**	**$618,241**	**$1,182,467**	**$1,254,711**	**$1,243,673**	**$607,422**
18	Power Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 4	21,207	42,756	51,570	52,590	24,565
19	Power Services Non-Generation Operations	32,818	69,409	81,465	76,414	32,601
20	Transmission Operations	48,063	98,521	125,377	118,691	48,259
21	Transmission Maintenance	59,952	128,284	135,202	135,023	55,948
22	Transmission Engineering	11,242	27,605	28,483	25,860	10,550
23	Trans Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 4, 5	3,253	6,923	13,248	12,089	3,681
24	Transmission Reimbursables	4,254	8,733	9,727	9,082	5,398
25	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	81,579	207,569	248,126	248,568	103,326
	BPA Internal Support					
26	Additional Post-Retirement Contribution	15,277	32,706	33,435	33,435	16,717
27	Agency Services G&A	46,971	94,969	98,351	98,652	47,364
28	Other Income, Expenses & Adjustments	(8)	(3,978)	(3,428)	2,098	1,295
29	Non-Federal Debt Service <Note 5	254,658	501,367	642,136	612,598	329,852
30	Depreciation & Amortization <Note 5	176,492	355,574	371,585	368,635	180,475
31	**Total Operating Expenses**	**$1,373,998**	**$2,752,905**	**$3,089,988**	**$3,037,408**	**$1,467,453**
32	**Net Operating Revenues (Expenses)**	**$141,368**	**$117,379**	**$445,066**	**$24,663**	**$151,192**
	Interest Expense and (Income)					
33	Interest Expense	163,599	326,494	335,958	333,913	165,370
34	AFUDC	(17,507)	(30,710)	(34,300)	(39,600)	(19,772)
35	Interest Income	(38,790)	(77,355)	(68,697)	(54,368)	(28,157)
36	**Net Interest Expense (Income)**	**$107,301**	**$218,430**	**$232,961**	**$239,945**	**$117,441**
37	**Net Revenues (Expenses)**	**$34,067**	**($101,050)**	**$212,105**	**($215,282)**	**$33,751**

<1 For BPA management reports, Gross Sales and Purchase Power are shown separated from the power bookout adjustment (EITF 03-11, effective as of Oct 1, 2003) to provide a better picture of our gross sales and purchase power.

<2 This is an "accounting only" (no cash impact) adjustment representing the mark-to-market (MTM) adjustment required by Derivatives and Hedging Accounting guidance for identified derivative instruments. The MTM adjustment is excluded in calculating Modified Net Revenues for rate setting purposes.

<3 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties among other factors may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

<4 The consolidated FCRPS Statement reduces reported Revenues and Expenses where between business line transactions occur, the most significant of which are for Transmission Acquisition and Ancillary Services.

<5 Beginning in FY 2004, consolidated actuals reflect the inclusion of transactions associated with a Variable Interest Entity (VIES), which is in accordance with the FASB Interpretation No. 46 (FIN 46) that is effective as of December, 2003. VIES information is not included in rate case and budget data.

<6 The Residential Exchange Program Lookback Amount applied is returned to the Consumer Owned Utilities (COUs) and recovered from the Investor Owned Utilities. Throughout the year actual revenue will be reduced by this amount to reflect the Lookback Amount refunds returned to COUs and actual REP expense will be reduced to reflect the Lookback Amount returned by the IOUs. Budgets were developed with the Lookback Amount applied as an increase to the REP expense, without adjustment to revenue. These circumstances will present actual revenue and REP expense running under budget.

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Report ID: 0021FY10
Requesting BL: POWER BUSINESS UNIT
Unit of measure: $ Thousands

Power Services Summary Statement of Revenues and Expenses

Through the Month Ended March 31, 2010
Preliminary/ Unaudited

Run Date/Time: April 23, 2010 06:53
Data Source: EPM Data Warehouse
% of Year Lapsed = 50%

		A	B	C	D	E <Note 3	F
		FY 2009		FY 2010			FY 2010
		Actuals: FYTD	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals: FYTD
	Operating Revenues						
1	Gross Sales (excluding bookout adjustment) <Notes 1 and 4	$1,151,069	$2,090,387	$2,658,676	$2,658,694	$2,148,411	$1,184,552
2	Bookout Adjustment to Sales <Note 1	(23,750)	(36,814)			(34,654)	(34,654)
3	Miscellaneous Revenues	17,504	33,383	29,421	29,421	26,559	12,493
4	Inter-Business Unit	39,341	78,318	90,171	90,171	98,163	48,326
5	Derivative Instruments <Note 2	(35,023)	(34,677)			7,986	7,986
6	U.S. Treasury Credits	46,114	104,099	101,289	101,289	145,384	59,786
7	**Total Operating Revenues**	**$1,195,255**	**$2,234,695**	**$2,879,557**	**$2,879,575**	**$2,391,849**	**$1,278,490**
	Operating Expenses						
	Power System Generation Resources						
	Operating Generation Resources						
8	Columbia Generating Station	165,858	288,208	257,811	257,811	264,411	114,713
9	Bureau of Reclamation	33,804	78,228	87,318	87,318	87,318	37,504
10	Corps of Engineers	71,890	178,407	191,060	191,060	191,060	78,016
11	Long-term Contract Generating Projects	13,558	28,783	30,455	30,455	32,755	13,615
12	Operating Generation Settlement Payment	10,455	18,170	21,328	21,328	16,712	6,467
13	Non-Operating Generation	(1,848)	(754)	2,618	2,618	2,618	1,860
14	Gross Contracted Power Purchases and Aug Power Purchases <Note 1	201,525	324,359	270,438	270,689	391,837	239,595
15	Bookout Adjustment to Power Purchases <Note 1	(23,750)	(36,814)			(34,654)	(34,654)
16	Residential Exchange/IOU Settlement Benefits <Note 4	102,536	205,171	263,137	264,528	179,820	102,423
17	Renewable and Conservation Generation	44,219	99,444	129,576	128,903	111,796	48,760
18	**Subtotal Power System Generation Resources**	**$618,246**	**$1,183,202**	**$1,253,742**	**$1,254,711**	**$1,243,673**	**$608,298**
19	Power Services Transmission Acquisition and Ancillary Services	72,442	157,802	187,217	177,717	150,795	75,450
20	Power Non-Generation Operations	32,824	69,479	81,022	81,490	76,440	32,603
21	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	81,619	208,059	248,583	248,583	248,583	103,469
	BPA Internal Support						
22	Additional Post-Retirement Contribution	7,639	16,353	15,447	16,717	16,717	8,359
23	Agency Services G&A	23,531	48,216	49,961	49,335	49,694	24,059
24	Other Income, Expenses & Adjustments	(290)	(2,454)		(1,428)	122	122
25	Non-Federal Debt Service	239,746	457,044	565,486	579,606	550,068	298,587
26	Depreciation & Amortization	89,511	180,788	197,839	187,435	186,535	91,019
27	**Total Operating Expenses**	**$1,165,269**	**$2,318,490**	**$2,599,296**	**$2,594,166**	**$2,522,628**	**$1,241,966**
28	**Net Operating Revenues (Expenses)**	**$29,986**	**($83,795)**	**$280,261**	**$285,409**	**($130,779)**	**$36,524**
	Interest Expense and (Income)						
29	Interest Expense	104,592	207,661	219,587	212,069	211,441	105,538
30	AFUDC	(7,608)	(9,336)	(10,800)	(13,000)	(13,900)	(6,057)
31	Interest Income	(24,495)	(46,817)	(42,404)	(41,471)	(22,815)	(13,508)
32	**Net Interest Expense (Income)**	**$72,489**	**$151,508**	**$166,383**	**$157,598**	**$174,726**	**$85,973**
33	Net Revenues (Expenses)	**($42,503)**	**($235,303)**	**$113,878**	**$127,811**	**($305,505)**	**($49,449)**

<1 For BPA management reports, Gross Sales and Purchase Power are shown separated from the power bookout adjustment (EITF 03-11, effective as of Oct 1, 2003) to provide a better picture of our gross sales and gross purchase power.

<2 This is an "accounting only" (no cash impact) adjustment representing the mark-to-market (MTM) adjustment required by Derivatives and Hedging Accounting guidance for identified derivative instruments. The MTM adjustment is excluded in calculating Modified Net Revenues for rate setting purposes.

<3 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

<4 The Residential Exchange Program Lookback Amount applied is returned to the Consumer Owned Utilities (COUs) and recovered from the Investor Owned Utilities. Throughout the year actual revenue will be reduced by this amount to reflect the Lookback Amount refunds returned to COUs and actual REP expense will be reduced to reflect the Lookback Amount returned by the IOUs. Budgets were developed with the Lookback Amount applied as an increase to the REP expense, without adjustment to revenue. These circumstances will present actual revenue and REP expense running under budget.

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Report ID: 0023FY10
Requesting BL: TRANSMISSION BUSINESS UNIT
Unit of Measure: $ Thousands

Transmission Services Summary Statement of Revenues and Expenses

Through the Month Ended March 31, 2010
Preliminary/ Unaudited

Run Date/Time: April 23, 2010/ 06:54
Data Source: EPM Data Warehouse
% of Year Lapsed = 50%

		A	B	C	D	E <Note 1>	F
		FY 2009		FY 2010			FY 2010
		Actuals: FYTD	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals: FYTD
	Operating Revenues						
1	Sales	$345,826	$689,197	$713,981	$711,669	$737,119	$373,865
2	Miscellaneous Revenues	13,626	24,710	32,378	33,981	31,265	14,617
3	Inter-Business Unit Revenues	51,501	117,932	117,381	121,415	107,853	52,374
4	**Total Operating Revenues**	**$410,953**	**$831,840**	**$863,739**	**$867,065**	**$876,238**	**$440,856**
	Operating Expenses						
5	Transmission Operations	48,063	98,521	120,400	125,377	118,691	48,259
6	Transmission Maintenance	59,952	128,284	125,607	135,202	135,023	55,948
7	Transmission Engineering	11,242	27,605	25,240	28,483	25,860	10,550
8	Trans Services Transmission Acquisition and Ancillary Services <Note 2	42,595	85,241	103,328	103,085	114,431	52,006
9	Transmission Reimbursables	4,254	8,733	9,142	9,727	9,082	5,398
	BPA Internal Support						
10	Additional Post-Retirement Contribution	7,639	16,353	15,447	16,717	16,717	8,359
11	Agency Services G&A	23,439	46,753	48,937	49,017	48,958	23,305
12	Other Income, Expenses & Adjustments	677	67	(10,000)	(2,000)	1,976	1,976
13	Non-Federal Debt Service <Note 2						
14	Depreciation & Amortization <Note 2	86,980	174,786	189,702	184,150	182,100	89,456
15	**Total Operating Expenses**	**$284,840**	**$586,343**	**$627,802**	**$649,758**	**$652,838**	**$295,257**
16	**Net Operating Revenues (Expenses)**	**$126,113**	**$245,497**	**$235,937**	**$217,307**	**$223,400**	**$145,599**
	Interest Expense and (Income)						
17	Interest Expense	86,992	174,947	195,176	180,670	179,253	88,267
18	AFUDC	(8,747)	(21,373)	(16,501)	(21,300)	(25,700)	(12,428)
19	Interest Income	(14,295)	(30,681)	(24,655)	(27,226)	(31,553)	(14,693)
20	**Net Interest Expense (Income)**	**$63,950**	**$122,892**	**$154,020**	**$132,144**	**$122,000**	**$61,146**
21	**Net Revenues (Expenses)**	**$62,163**	**$122,605**	**$81,917**	**$85,163**	**$101,400**	**$84,453**

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

<2 Beginning in FY 2004, consolidated actuals reflect the inclusion of transactions associated with a Variable Interest Entity (VIES), which is in accordance with the FASB Interpretation No. 46 (FIN 46) that is effective as of December, 2003. VIES information is not included in rate case and budget data.

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Report ID: 0063FY10 | **Transmission Services Revenue Detail by Product** | Run Date/Time: April 23, 2010 08:35
Requesting BL: TRANSMISSION BUSINESS UNIT | Through the Month Ended March 31, 2010 | Data Source: EPM Data Warehouse
Unit of Measure: $ Thousands | Preliminary/ Unaudited | % of Year Lapsed = 50%

		A	B	C	D
		FY 2010			FY 2010
		Rate Case	SOY Budget	Current EOY Forecast	Actuals
	Transmission Services Operating Revenues				
	NETWORK				
1	PTP - LONG TERM	$337,672	$334,613	$337,370	$159,725
2	NETWORK INTEGRATION	122,266	120,203	123,177	64,883
3	INTEGRATION OF RESOURCES	38,967	38,967	38,320	28,498
4	FORMULA POWER TRANSMISSION	24,527	25,999	25,925	13,832
5	PTP - SHORT TERM	21,181	25,219	19,183	4,378
6	ACCRUAL_NETWORK				3,824
7	**TOTAL: NETWORK**	**544,613**	**545,001**	**543,974**	**275,141**
	ANCILLARY SERVICES				
8	SCHEDULING, SYSTEM CONT & DISP	86,116	86,163	85,329	40,481
9	WITHIN_HOUR_BALANCE_FOR_RSRCS	38,447	38,559	40,846	16,996
10	OPERATING RESERVES-SPIN & SUPP	31,442	31,442	37,642	18,390
11	REGULATION & FREQ RESPONSE	7,732	7,876	7,362	4,236
12	ENERGY & GENERATION IMBALANCE			7,028	3,649
13	REACTIVE SUPPLY & VOLTAGE				()
14	ACCRUAL_ANCILLARY_SERVICES				4,349
15	**TOTAL: ANCILLARY SERVICES**	**163,737**	**164,040**	**178,207**	**88,101**
	INTERTIE				
16	SOUTHERN INTERTIE LONG TERM	83,960	83,914	83,899	41,861
17	SOUTHERN INTERTIE SHORT TERM	4,438	4,714	3,225	481
18	MONTANNA INTERTIE LONG TERM	252	252	252	126
19	ACCRUAL_INTERTIE				(283)
20	**TOTAL: INTERTIE**	**88,650**	**88,880**	**87,376**	**42,184**

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Report ID: 0063FY10 | **Transmission Services Revenue Detail by Product** | Run Date/Time: April 23, 2010 08:35
Requesting BL: TRANSMISSION BUSINESS UNIT | Through the Month Ended March 31, 2010 | Data Source: EPM Data Warehouse
Unit of Measure: $ Thousands | Preliminary/ Unaudited | % of Year Lapsed = 50%

		A	B	C	D
		FY 2010			FY 2010
		Rate Case	SOY Budget	Current EOY Forecast	Actuals
	Transmission Services Operating Revenues				
	OTHER REVENUES & CREDITS				
21	TOWNSEND-GARRISION TRANS	9,796	9,796	9,796	4,898
22	GEN INTEGRATION - OTHER REV	8,462	8,462	7,916	3,548
23	USE OF FACILITIES	5,522	5,522	5,355	2,838
24	POWER FACTOR PENALTY	4,402	4,402	4,483	2,285
25	NFP - DEPR PNW PSW INTERTIE	3,065	3,065	3,079	1,553
26	AC-PNW PSW INTERTIE - OTH REV	1,891	1,891	1,466	767
27	OPERATIONS & MAINT - OTHER REV	1,121	1,121	1,117	572
28	COE_BOR_PROJECT_REV	954	954	954	477
29	RESERVATION FEE - OTHER REV	792	1,500	1,629	1,226
30	TRANSMISSION SHARE IRRIGATION	382	382	383	(87)
31	LAND LEASES AND SALES	301	301	208	189
32	OTHER LEASES REVENUE	164	164	154	39
33	REMEDIAL ACTION - OTHER REV	51	51	51	26
34	OTHER REVENUE SOURCES	5			
35	MISC SERVICES-LOSS-EXCH-AIR			7	292
36	FAILURE TO COMPLY - OTHER REV				61
37	UNAUTORIZED INCREASE - OTH REV				(37)
38	ACCRUAL_OTHER_REVENUES&CREDITS				213
39	**TOTAL: OTHER REVENUES & CREDITS**	**36,909**	**37,612**	**36,597**	**18,860**
	FIBER & PCS				
40	FIBER OTHER REVENUE	7,287	7,524	7,574	4,121
41	WIRELESS/PCS - OTHER REVENUE	4,544	5,492	6,114	2,749
42	WIRELESS/PCS_REIMBURSABLE REV	671	1,021	639	428
43	FIBER OTHER REIMBURSABLE REV	901	970	926	488
44	ACCRUAL_FIBER&PCS				26
45	**TOTAL: FIBER & PCS**	**13,402**	**15,006**	**15,252**	**7,811**

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Report ID: 0063FY10 | **Transmission Services Revenue Detail by Product** | Run Date/Time: April 23, 2010 08:35
Requesting BL: TRANSMISSION BUSINESS UNIT | Through the Month Ended March 31, 2010 | Data Source: EPM Data Warehouse
Unit of Measure: $ Thousands | Preliminary/ Unaudited | % of Year Lapsed = 50%

		A	B	C	D
		FY 2010			FY 2010
		Rate Case	SOY Budget	Current EOY Forecast	Actuals
	Transmission Services Operating Revenues				
	REIMBURSABLE				
46	REIMBURSABLE-OTHER REVENUE	12,000	12,000	9,549	6,294
47	ACCRUAL REIMBURSABLE				(248)
48	**TOTAL: REIMBURSABLE**	**12,000**	**12,000**	**9,549**	**6,046**
	DELIVERY				
49	UTILITY DELIVERY CHARGES	2,664	2,864	2,909	1,405
50	DSI DELIVERY	1,765	1,662	2,373	1,187
51	ACCRUAL_DELIVERY				121
52	**TOTAL: DELIVERY**	**4,429**	**4,527**	**5,283**	**2,713**
53	**TOTAL: Transmission Services Operating Revenues**	**$863,739**	**$867,065**	**$876,238**	**$440,856**

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Report ID: 0022FY10
Requesting BL: CORPORATE BUSINESS UNIT
Unit of measure: $ Thousands

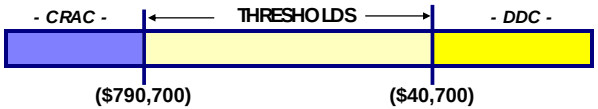
Schedule of Net Revenue (Expense) to Modified Net Revenue

Through the Month Ended March 31, 2010
Preliminary/ Unaudited

Run Date/Time: April 23,2010 06:53
Data Source: EPM Data Warehouse
% of Year Lapsed = 50%

		A	B	C	D
		Actuals: FY 2000 to FY 2009	Forecast: Current Qtr FY 2010	Forecast: Accumulated MNR FY 2000 to FY 2010 (A) + (B)	Actuals: FYTD 2010
	Power Services				
1	**Power Net Revenue (Expense)**	**$930,046**	**($305,505)**	**$624,541**	**($49,449)**
	Power Modified Net Revenue Adjustments:				
2	**Derivative Instruments**	**(14,800)**	**7,986**	**(6,814)**	**7,986**
3	**EN Debt Adjustments**	**(1,178,600)**	**(15,279)**	**(1,193,879)**	**15,784**
4	**Power Modified Net Revenue Adjustments** <Note 1	**(1,163,800)**	**(23,265)**	**(1,187,065)**	**7,798**
5	**Power Modified Net Revenue** <Note 2	**($233,754)**	**($328,771)**	**($562,524)**	**($41,651)**

6 **Threshold Amounts for FY 2011 Rates based on AMNR from FY 2000 through 2010:** <Note 3



6	**FCRPS Modified Net Revenue** <Note 1	**$300,041**	**($232,798)**	**$67,243**	**$44,423**

<1 Consistent with the General Rate Schedule Provisions, Modified Net Revenue (MNR) is an adjustment to Net Revenues for the purpose of calculating the rate case Cost Recovery Adjustment Clause (CRAC) or Dividend Distribution Clause (DDC). MNR excludes the impact of Derivative Instruments transactions. Derivative Instruments is a "no cash impact" adjustment representing the mark-to-market (MTM) valuation required by Derivatives and Hedging Accounting guidance for identified derivative instruments. In addition, MNR excludes the Energy Northwest (EN) debt service expense amounts (actual or forecasted) and includes the rate case amounts for EN debt service. This results in the exclusion of the effect of debt refinancing from BPA's cost recovery adjustment clause.

<2 The final CRAC and DDC levels are set in August and are based on the 3rd Quarter forecast of PS MNR; however, the PS MNR forecast used in the August AMNR calculation may include adjustments to reflect events that occur subsequent to the 3rd Quarter forecast.

<3 The CRAC and DDC thresholds are defined in the WP-10 Final Power Rate Proposal.

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Report ID: 0027FY10
Requesting BL: CORPORATE BUSINESS UNIT
Unit of Measure: $Thousands

BPA Statement of Capital Expenditures
FYTD Through the Month Ended March 31, 2010
Preliminary Unaudited

Run Date/Run Time: April 28, 2010/ 08:35
Data Source: EPM Data Warehouse
50%

		A	B	C	D	E
		FY 2010		FY 2010		FY 2010
		SOY Budget	Current EOY Forecast	Actuals: Mar	Actuals: FYTD	Actuals / Forecast
	Transmission Business Unit					
	CAPITAL DIRECT					
1	UNCOMMITTED FUNDS					
	MAIN GRID					
2	MIDWAY-VANTAGE LINE UPGRADE	3,845	4,065	117	301	7%
3	REDMOND TRANSFORMER ADDITION	4,576	3,060	434	616	20%
4	BIG EDDY-KNIGHT 500kv PROJECT	4,359	4,190	743	2,257	54%
5	OLYMPIC PENINSULA PROJECT	2,542	3,225	219	4,051	126%
6	WEST OF MCNARY INTEGRATION PRO	94,904	92,987	8,809	30,976	33%
7	I-5 CORRIDOR UPGRADE PROJECT	7,210	7,414	975	2,872	39%
8	LIBBY-TROY LINE REBUILD	5,875	3,286	1,146	3,749	114%
9	CENTRAL FERRY- LOWER MONUMNTAL	4,052	4,167	371	1,646	40%
10	MISC. MAIN GRID PROJECTS	26,543	8,447	1,604	4,441	53%
11	TOTAL MAIN GRID	153,906	130,841	14,419	50,910	39%
	AREA & CUSTOMER SERVICE					
12	ROGUE SVC ADDITION	7,695	668	56	610	91%
13	CITY OF CENTRALIA PROJECT	2,435	1,356	100	608	45%
14	LOWER VALLEY (CARIBOU) PROJECT	22,986	10,413	(256)	848	8%
15	MISC. AREA & CUSTOMER SERVICE	11,471	12,758	857	3,249	25%
16	TOTAL AREA & CUSTOMER SERVICE	44,587	25,195	757	5,314	21%
	SYSTEM REPLACEMENTS					
17	TEAP - TOOLS	1,142	1,174	70	367	31%
18	TEAP - EQUIPMENT	14,493	12,297	(501)	77	1%
19	SPC - SER	895	920	127	741	81%
20	SPC - DFRS	3,578	4,557	493	1,812	40%
21	SPC - METERING	447				
22	SPC - RAS					
23	SPC - RELAYS	5,357	3,958	284	1,196	30%
24	PSC - TELEPHONE SYSTEMS	1,136	854	19	22	3%
25	PSC - TRANSFER TRIP	7,190	2,175	81	116	5%
26	PSC - FIN/OP NETWORKS	361				
27	PSC - TLECOM TRANSPORT	1,783	496	48	130	26%
28	PSC - SCADA/TELEMTRY/SUP CNTRL	940	778	94	258	33%
29	PSC- TELECOM SUPPORT EQUIPMENT	1,274	1,160	41	199	17%
30	PSC - VHF					
31	SUB DC	6,987	11,423	6,507	7,887	69%
32	SUB NON-ELECTRIC PLANT	678	451	72	179	40%
33	SUB LOW VOLTAGE AUX.	3,501	4,247	233	1,537	36%
34	LINES - STEEL HARDWARE REPLCMT	23,936	22,670	1,828	5,674	25%
35	LINES - WOOD POLE LN REBUILDS	23,310	15,225	881	5,155	34%
36	SUB CAPACITORS	1,107	336	34	45	13%
37	SUB CIRCUIT BREAKER REPLACMENT	13,368	6,387	996	4,545	71%
38	SUB CVT/PT/CT REPLACEMENT	1,400	358	76	177	49%
39	SUB TRANSFORMERS & REACTORS	4,457	2,284	117	2,217	97%
40	MISC. REPLACEMENT PROJECTS	20,028	2,888	219	1,588	55%
41	MISC FACILITIES- NON-ELECTRIC	27,339	12,604	390	1,110	9%
42	TOTAL SYSTEM REPLACEMENTS	164,706	107,243	12,111	35,033	33%

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Report ID: 0027FY10
Requesting BL: CORPORATE BUSINESS UNIT
Unit of Measure: $Thousands

BPA Statement of Capital Expenditures
FYTD Through the Month Ended March 31, 2010
Preliminary Unaudited

Run Date/Run Time: April 28, 2010/ 08:35
Data Source: EPM Data Warehouse
50%

		A	B	C	D	E
		FY 2010		FY 2010		FY 2010
		SOY Budget	Current EOY Forecast	Actuals: Mar	Actuals: FYTD	Actuals / Forecast
	Transmission Business Unit (Continued)					
	UPGRADES & ADDITIONS					
43	IT PROJECTS	6,009	12,110	1,275	1,434	12%
44	SECURITY ENHANCEMENTS	5,530	2,224	286	1,390	63%
45	LAND RIGHTS - ACCESS ROADS	565	581	11	52	9%
46	LAND RIGHTS- VEG MITIGATION	601	618	()		0%
47	LAND RIGHTS - TRIBAL RENEWALS	30,439	25,199	26	16,466	65%
48	LAND ACQUISITION & REBUILDS	12,141	8,193	257	2,346	29%
49	SUBSTATION UPGRADES		5,726	26	258	5%
50	LINE SWITCH UPGRADES		62		20	32%
51	LINE CAPACITY UPGRADES					
52	CELILO UPGRADES PROJECT	7,451	1,016	37	290	29%
53	CONTROL CENTERS	3,055	2,185	165	945	43%
54	CC SYSTEM & APPLICATION	1,959	1,317	74	610	46%
55	CC INFASTRUCTURE COMPONENTS	2,779	1,041	27	263	25%
56	SYSTEM TELECOMMUNICATION	15,336	10,365	664	3,097	30%
57	MISC. UPGRADES AND ADDITIONS	38,419	26,979	2,603	12,435	46%
58	TOTAL UPGRADES & ADDITIONS	124,284	97,615	5,451	39,606	41%
	ENVIRONMENT CAPITAL					
59	MISC. ENVIRONMENT PROJECTS	6,627	6,834	409	1,449	21%
60	TOTAL ENVIRONMENT CAPITAL	6,627	6,834	409	1,449	21%
61	CAPITAL DIRECT	494,110	367,727	33,147	132,312	36%
	PFIA					
62	MISC. PFIA PROJECTS	7,925	9,072	673	3,481	38%
63	GENERATOR INTERCONNECTION	75,648	49,770	2,218	12,536	25%
64	SPECTRUM RELOCATION	10,813	8,002	775	3,169	40%
65	COI ADDITION PROJECT	31,070	39,593	2,676	15,135	38%
66	TOTAL PFIA	125,456	106,438	6,342	34,322	32%
67	AFUDC					
68	CAPITAL INDIRECT			534	11,228	
69	LAPSE FACTOR	(105,118)				
70	**TOTAL Transmission Business Unit**	$514,449	$474,164	$40,022	$177,861	38%

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Report ID: 0027FY10
Requesting BL: CORPORATE BUSINESS UNIT
Unit of Measure: $Thousands

BPA Statement of Capital Expenditures

FYTD Through the Month Ended March 31, 2010
Preliminary Unaudited

Run Date/Run Time:April 28, 2010/ 08:35
Data Source: EPM Data Warehouse
50%

		A	B	C	D	E
		FY 2010		FY 2010		FY 2010
		SOY Budget	Current EOY Forecast	Actuals: Mar	Actuals: FYTD	Actuals / Forecast
	Power Business Unit					
71	BUREAU OF RECLAMATION-CAPITAL	78,653	48,708	5,941	16,620	34%
72	CORPS OF ENGINEERS-CAPITAL	106,347	145,892	8,165	41,253	28%
73	CONSERVATION ACQUISITION	15,000	39,000	5,195	27,696	71%
74	NON-GENERATION OPERATIONS	3,000	9,250	860	3,687	40%
75	FISH&WILDLIFE&PLANNING COUNCIL	70,000	70,000	1,750	13,121	19%
76	LAPSE FACTOR	(33,600)		()	()	
77	**TOTAL Power Business Unit**	$239,400	$312,850	$21,911	$102,377	33%
	Corporate Business Unit					
78	CORPORATE BUSINESS UNIT	47,705	34,600	2,600	19,949	58%
79	LAPSE FACTOR	(3,896)				
80	**TOTAL Corporate Business Unit**	$43,809	$34,600	$2,600	$19,949	58%
81	**TOTAL BPA Capital Expenditures**	$797,658	$821,615	$64,534	$300,188	37%

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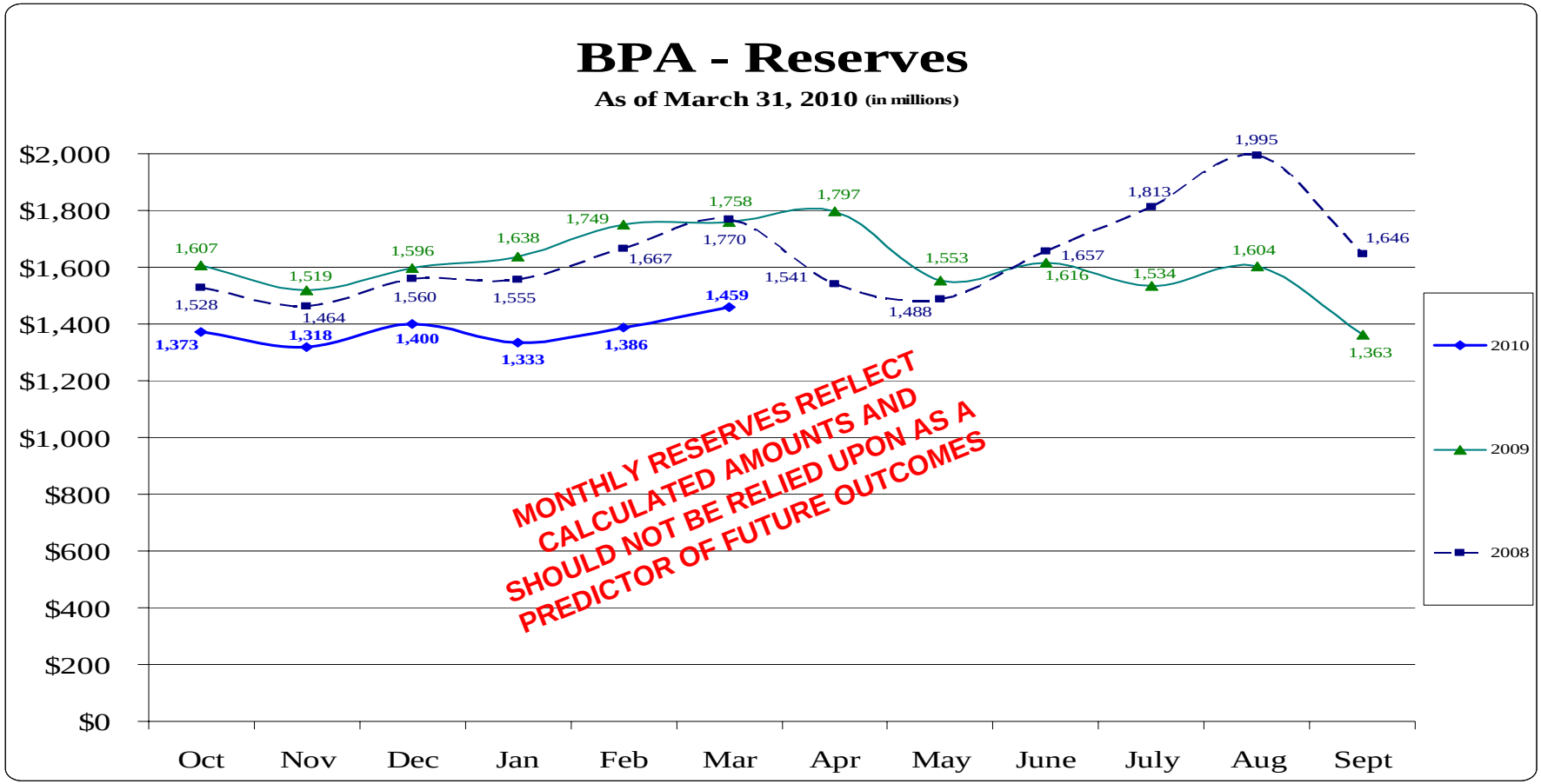
Financial Reserves

Reserves as of the end of March 2010 are $1.459 billion



End of Fiscal Year 2010 Reserves: $1.005 billion

Split Between Business Units:

Power: $304 million Transmission: $701 million

Unaudited

Funds held for others balance, estimate: $285 million (Power $125 million ; Transmission $160 million)

This information has been made publicly available by BPA on 4/30/2010 and does not contain Agency-approved Financial information

2010 IPR Update

Mary Hawken
Manager, Analysis and Requirements

Stephanie Adams
Analyst, Finance

2010 Integrated Program Review (IPR)

- The 2010 IPR will kickoff on May 10th with an overview workshop from 9am-1pm.
  - Presenters will include:
    - Claudia Andrews, Acting CFO
    - Mark Gendron, Vice President of Power Services
    - Brian Silverstein, Vice President of Transmission Services
  - Customers will be updated on drivers impacting agency operations this fiscal year, as well as long term initiatives and requirements underlying proposed spending levels.
  - Power, Transmission and Agency Services program details will be provided, however, specific program details will be addressed in technical workshops.
- Ten days of workshops have been scheduled, most technical workshops take place the week of May 17th and conclude the following week.
- We have expanded our discussion of asset strategies in this IPR and adjusted the timing to cover these strategies at the beginning of the process, thus, offering interested parties an opportunity to gain a better understanding of long-term perspective prior to proposed capital spending levels.
  - An Asset Management overview will be presented during the last half of this QBR meeting.
- Based on feedback from customers during the 2008/2009 IPR, the 2010 IPR process will, again, include general manager workshops. GM meetings have been scheduled for June 8th and July 13th.
- BPA encourages and appreciates customer comments. This process includes a 12-week public comment period opening May 10, 2010 and closing July 29, 2010.
- In response to comments from the 2008 IPR, presentation material will be posted at least two days prior to the scheduled workshop. Material can be accessed at http://www.bpa.gov/corporate/Finance/IBR/IPR/

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2010 Integrated Program Review (IPR)

- Similar to the 2008/2009 IPR process, this process has been designed to provide customers and interested parties an opportunity to review, discuss, and provide meaningful comment on:
  - 2010 Draft Long Term Asset Strategies,
  - Current proposed expense spending levels for FY 2012-2013,
  - Current proposed capital spending levels for FY 2012-2017, and
  - Updated FY 2011 proposed program spending forecasts.
- The IPR process continues to evolve; BPA is committed to improving transparency and customer involvement. As a result, BPA has made every effort, given available resources and compliance requirements, to incorporate the following customer requests pertaining to the 2010 IPR process:
  - Provide thorough examination of proposed spending levels with alternative reduction scenarios.
  - Include adequate opportunity for executive involvement and customer comment.
  - Share results of Enterprise Process Improvement Program (EPIP).
  - Present and supply information that allows for a better understanding of discretionary and non-discretionary spending.
  - Communicate cost management actions taking place in FY 2010 and forecasted spending levels for FY 2011.
- Some issues are outside the scope of the IPR process, for instance:
  - Discussion of risk mitigation tools, CRAC's, cash reserve levels and policies, management of debt service, loads and resources, rate design and rate levels, Residential Exchange benefits, billing determinants and revenue credits including net secondary sales.

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2010 Integrated Program Review (IPR)

- FY 2010 has unmasked a combination of new challenges for BPA. As a result, BPA will be sponsoring three concurrent processes in support of regional conversations with customers and interested parties. These concurrent processes include:
  - 2010 IPR,
  - Risk Mitigation, and
  - Debt Management
- As previously described, the 2010 IPR will provide a forum for communicating and discussing proposed expense and capital spending levels that will be used as a basis for the upcoming Power and Transmission rate cases.
- Comparable to the 2009 IPR2, Risk Mitigation workshops offer interested parties an opportunity to examine, discuss and provide feedback on potential risk mitigation tools for use in the upcoming rate case.
- Unlike previous IPR processes, Debt Management will be addressed in a separate process in FY 2010. BPA believes this will provide a greater opportunity for the region to participate in an exclusive discussion of debt management tools that could potentially be used to help minimize a potential rate impact in the 2012 rate case.
  - A 7-week public comment period will occur beginning June 8, 2010 and ending July 29, 2010 for the Debt Management process.
- All IPR, Debt Management and Risk Mitigation workshops will occur throughout late Spring and early Summer, please see the following slide for a current timeline.

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Regional Conversations Timeline

Debt Management, IPR Proposed Spending Levels, and Risk Mitigation

This schedule is subject to change as necessary

	May_6	May_10	Late May	June	July	August	September
IPR		May 10 (9am-1pm) **IPR Kickoff** **CFO/Senior VP's** Introduce 3 Part Process and Schedule	May 13-25 **IPR Workshops**	June 8 (9am-12pm) **General Manager Workshop** **Administrator, Power, Transmission VPs, CFO** IPR Spending Levels			Late September **IPR Close-Out Letter & Report**
Debt Management	**Public Power Council & Customer Collaborative Meeting** **Steve Wright** • Debt Extension • IPR Spending • Managing Risk		May 27 **Energy Northwest Executive Board Meeting** Discuss EN Debt Restructuring	Early June **Participants Review Board (PRB) Meeting** Discuss EN Debt Restructuring June 8 (1pm-4pm) **Debt Management Technical Workshop** Discuss EN Debt Restructuring June 22 (9am-12pm) **Debt Management Technical Workshop** Discuss Other Debt Management Tools	July 13 (9am-12pm) **General Manager Workshop** **Administrator, Power VP, Transmission VP, CFO** Discuss IPR Proposed Spending Levels, Debt Management Tools & Managing Risk	Early August **Debt Management "Close-Out" Letter** August 26 **Energy Northwest Executive Board Meeting** Decision regarding EN Debt Restructuring	
Risk Mitigation			May 26 **Risk Mitigation Workshop** Conceptual level of risk tools and how we analyze risk				
		May 10 - July 29 **IPR Comment Period**		**June 8 - July 29** **Debt Management Comment Period**			

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2010 IPR Schedule

2010 Integrated Program Review (IPR) Workshop Schedule

All workshops are subject to change as necessary

	Workshop Topic	Date	Time
-	**Asset Management Overview** *Pre-IPR meeting held at the Quarterly Business Review*	**May 3, 2010**	**3:00-4:00 PM**
1	**Executive Welcome and Overview**	**May 10, 2010**	**9:00-1:00 PM**
2	**Federal Hydro Asset Strategy & Capital Discussion**	**May 13, 2010**	**9:00-12:00 PM**
3	**Transmission Asset Strategies & Capital Discussion**	**May 17, 2010**	**9:00-4:00 PM**
4	**Transmission Expense**	**May 18, 2010**	**9:00-12:00 PM**
5	**Transmission Overflow**		**1:00-4:00 PM**
6	**Power Internal Operating Costs, Acquisition/Ancillary Services & Residential Exchange**	**May 19, 2010**	**9:00-12:00 PM**
7	**Columbia Generating Station (CGS)**		**1:00-4:00 PM**
8	**FCRPS Hydro Operation & Maintenance Program and Cultural Resources**	**May 20, 2010**	**9:00-12:00 PM**
9	**Fish & Wildlife, Lower Snake River Comp (LSRC), Northwest Power Planning Council (NWPPC) and Columbia River Fish Mitigation (CRFM)**		**1:00-4:00 PM**
10	**Power Overflow**	**May 24, 2010**	**9:00-12:00 PM**
11	**Energy Efficiency & Renewable Resources**		**1:00-4:00 PM**
12	**Facilities Asset Strategy**	**May 25, 2010**	**9:00-10:30 AM**
13	**Information Technology (IT) Asset Strategy**		**10:30-12:00 PM**
14	**Agency Services**		**1:00-4:00 PM**
15	**General Manager Meeting**	**June 8, 2010**	**9:00-12:00 PM**
16	**General Manager Meeting**	**July 13, 2010**	**9:00-12:00 PM**

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ARRA Update

Dave Barringer
Analyst, Finance

ARRA

- A video will be played and discussed regarding ARRA, this video can be accessed at http://www.youtube.com/user/BonnevillePower#p/u/8/EESkMVgkMfk

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Streamflow 2010: Past and Future

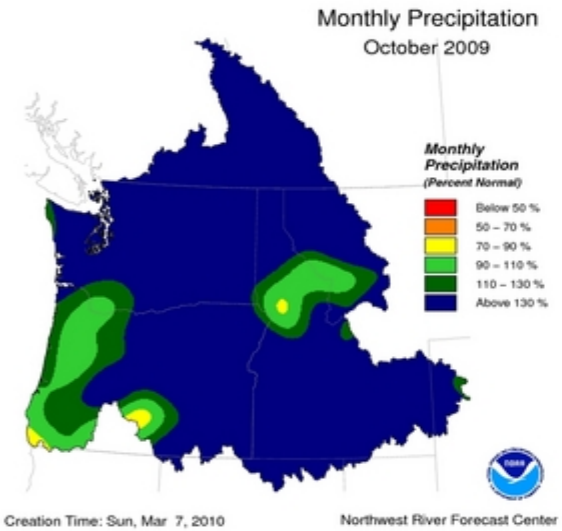
Presented by Cara McCarthy

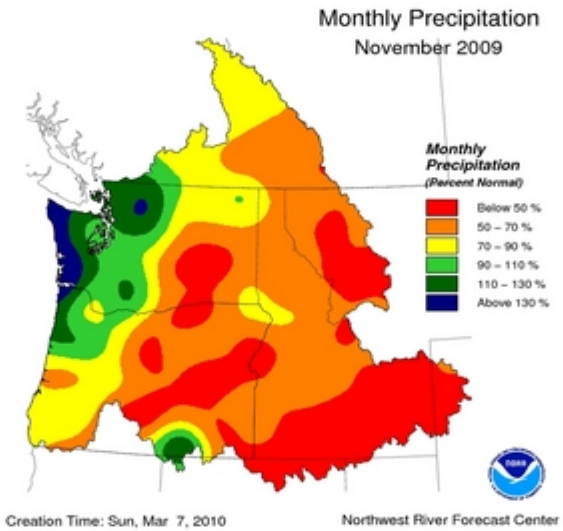
Quarterly Business Review, BPA

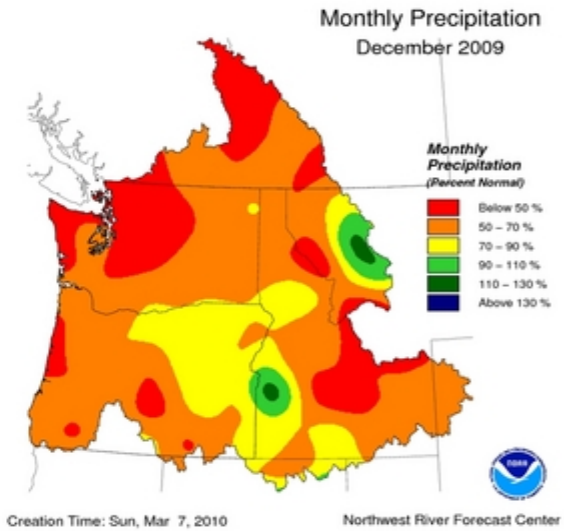
May 3, 2010

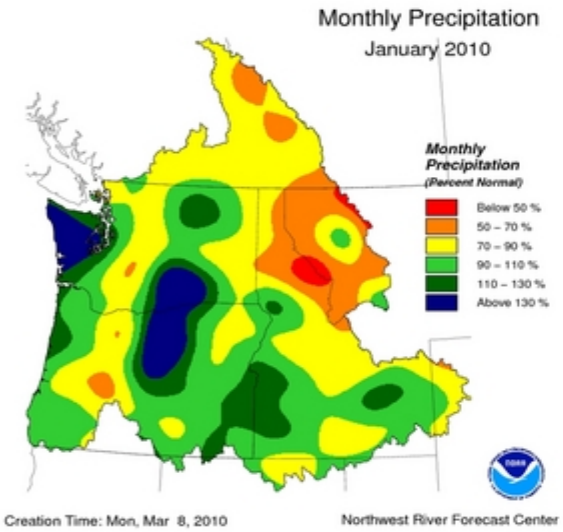
Monthly Precipitation Plots for Water Year 2010

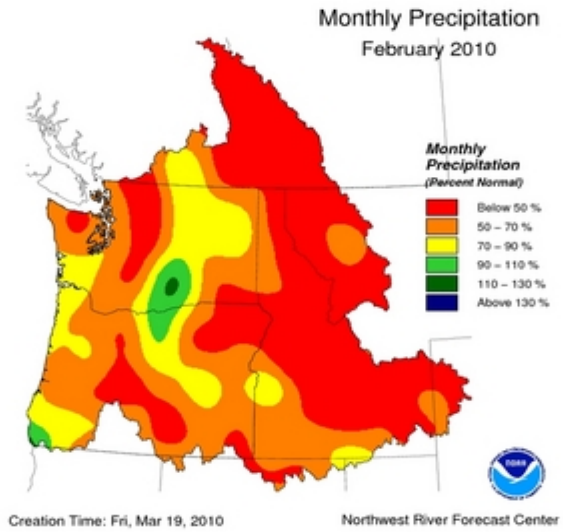
Click on Image to Display Larger Plot

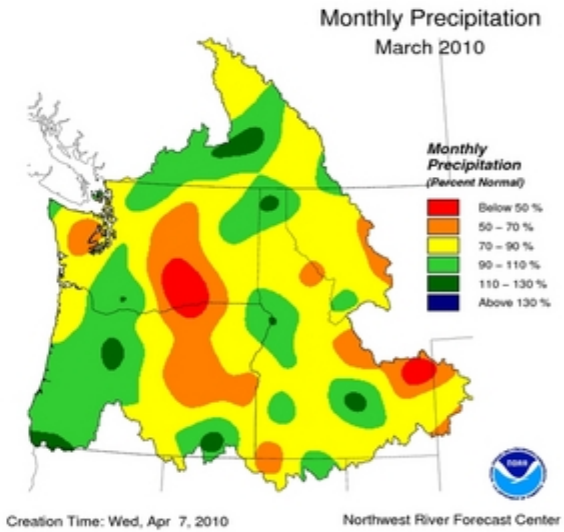












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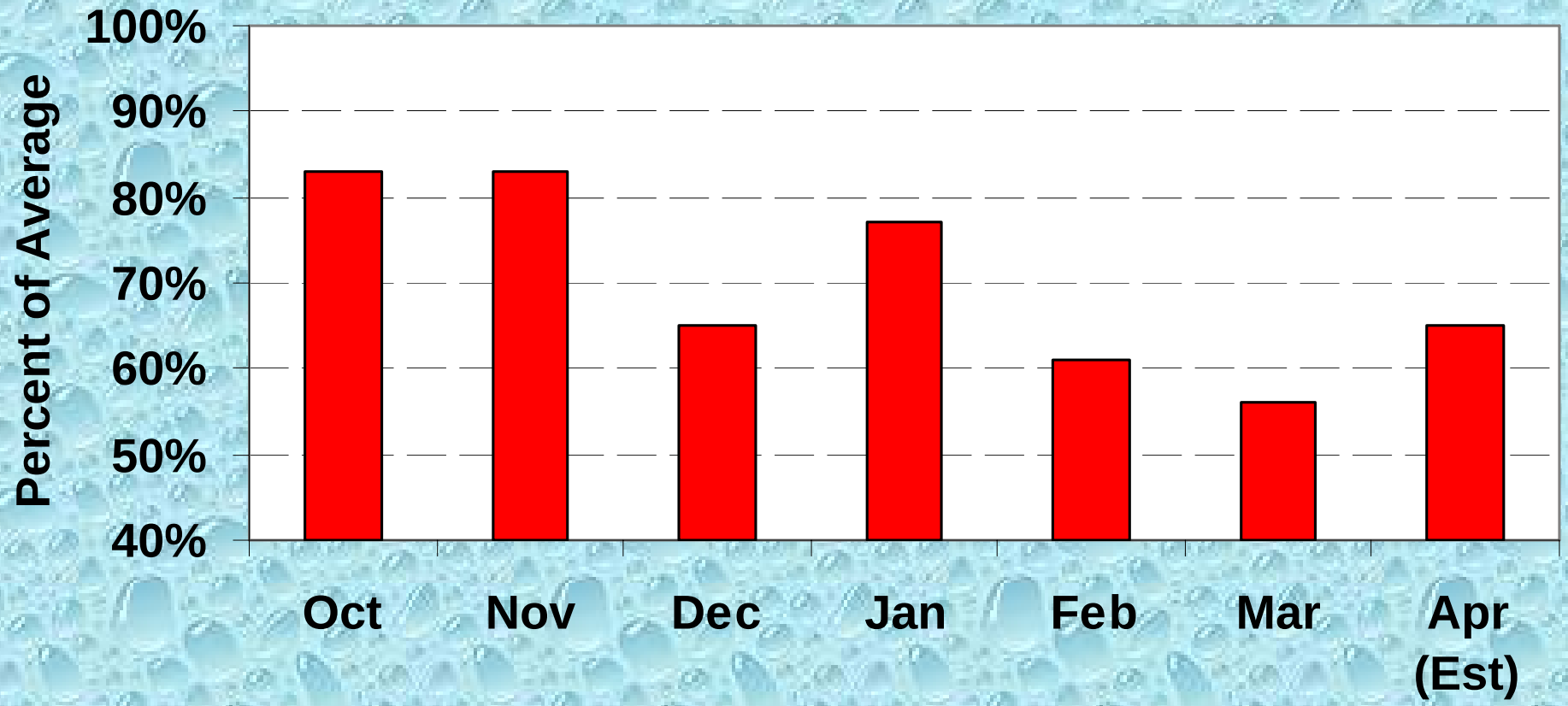
Monthly Streamflow at The Dalles
Water Year 2010



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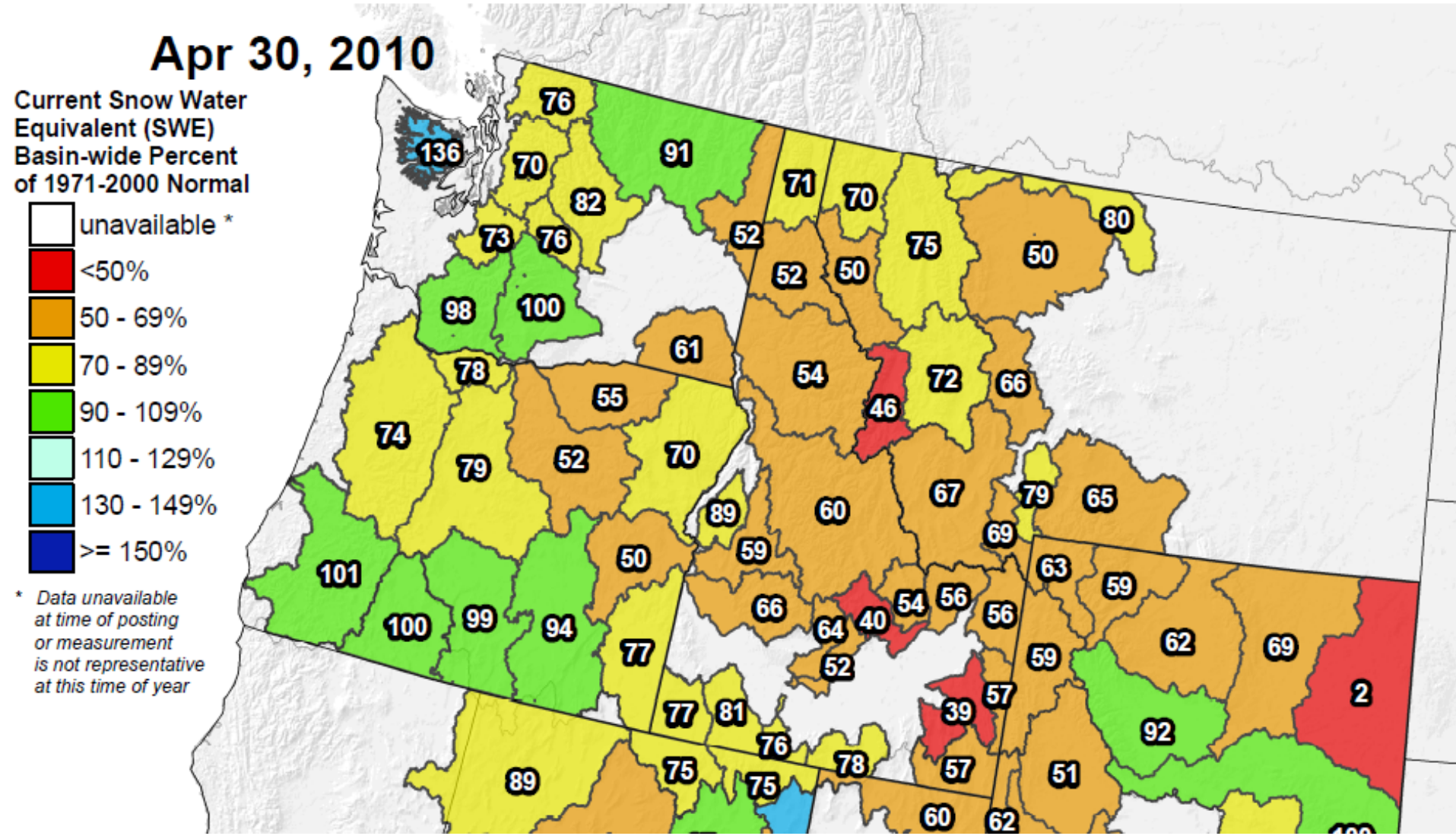
Westwide SNOTEL Current Snow Water Equivalent (SWE) % of Normal



Source: USDA/NRCS National Water and Climate Center

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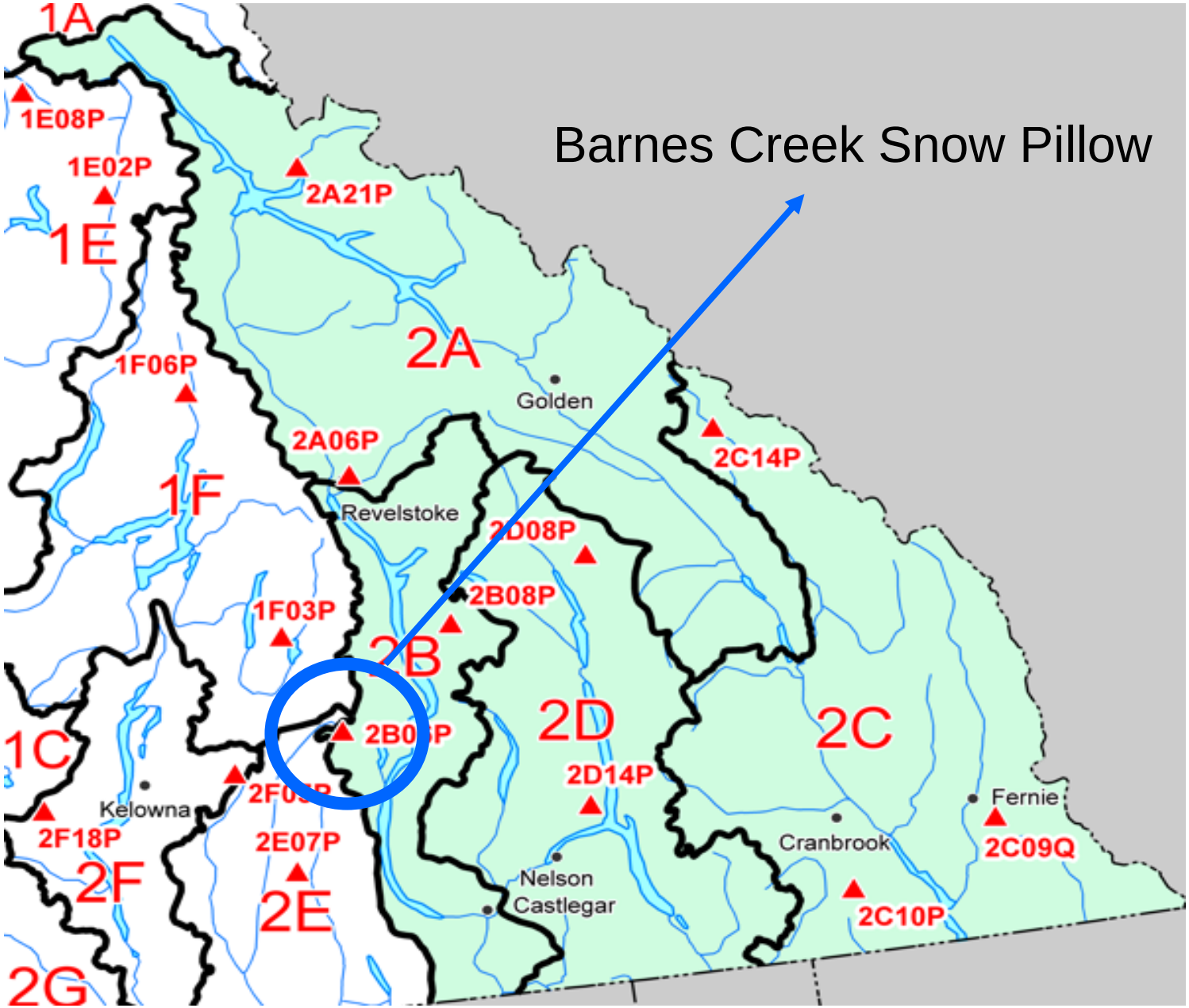

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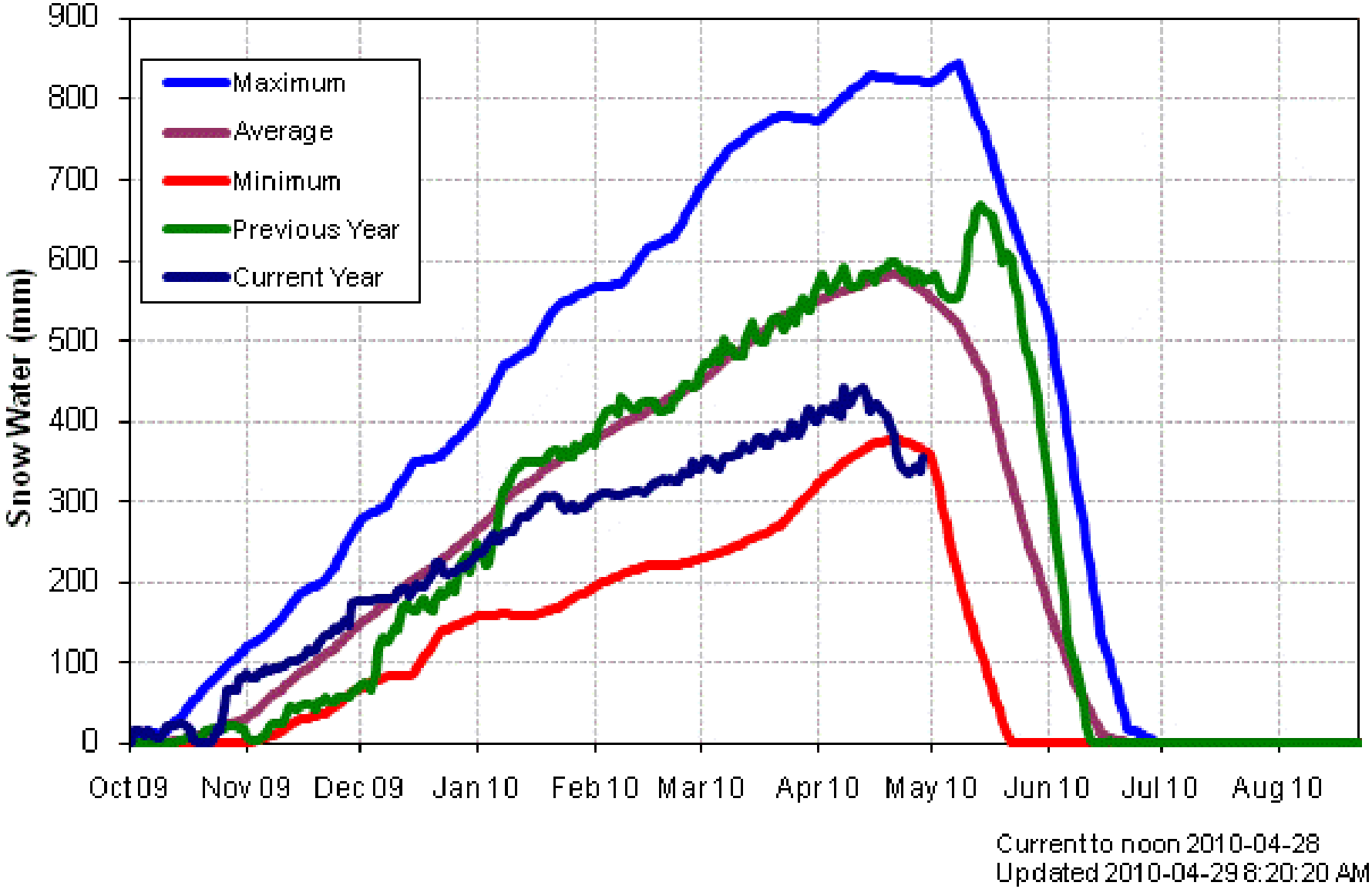
Barnes Creek Snow Pillow



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NW River Forecast Center Water Supply Forecast January-July 2010

	Grand Coulee		Lwr. Granite		The Dalles	
Forecast	MAF	%	MAF	%	MAF	%
(Dec MM)	54.9	87	22.6	75	89.3	83
(Jan EB)	56.1	89	22.7	76	89.3	83
(Jan FF)	56.3	90	22.4	75	88.5	82
(Jan MM)	55.9	89	21.6	72	87.4	81
(Feb EB)	49.9	79	18.6	62	77.1	72
(Feb FF)	51.0	81	19.3	64	79.2	74
(Feb MM)	49.3	78	18.6	62	75.9	71
(Mar EB)	48.7	77	17.8	59	74.0	69
(Mar FF)	47.3	75	17.0	57	71.8	67
(Mar MM)	46.2	73	16.3	54	69.4	65
(Apr EB)	46.7	74	16.7	56	70.3	66
(Apr FF)	46.0	73	16.6	55	69.7	65
(Apr MM)	45.6	72	16.3	54	68.8	64
(May EB)	45.1	72	16.5	55	68.6	64

% = Percent of 1971-2000 Normals

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Regression Forecasts

- Produced by agencies: NWRFC, BOR, Corps, BCHydro
- Regressions indicate relationship between seasonal volumes (runoff) and snow, precipitation, previous streamflow, SOI
- For the NWRFC forecasts, future precipitation can be included as a percent of average

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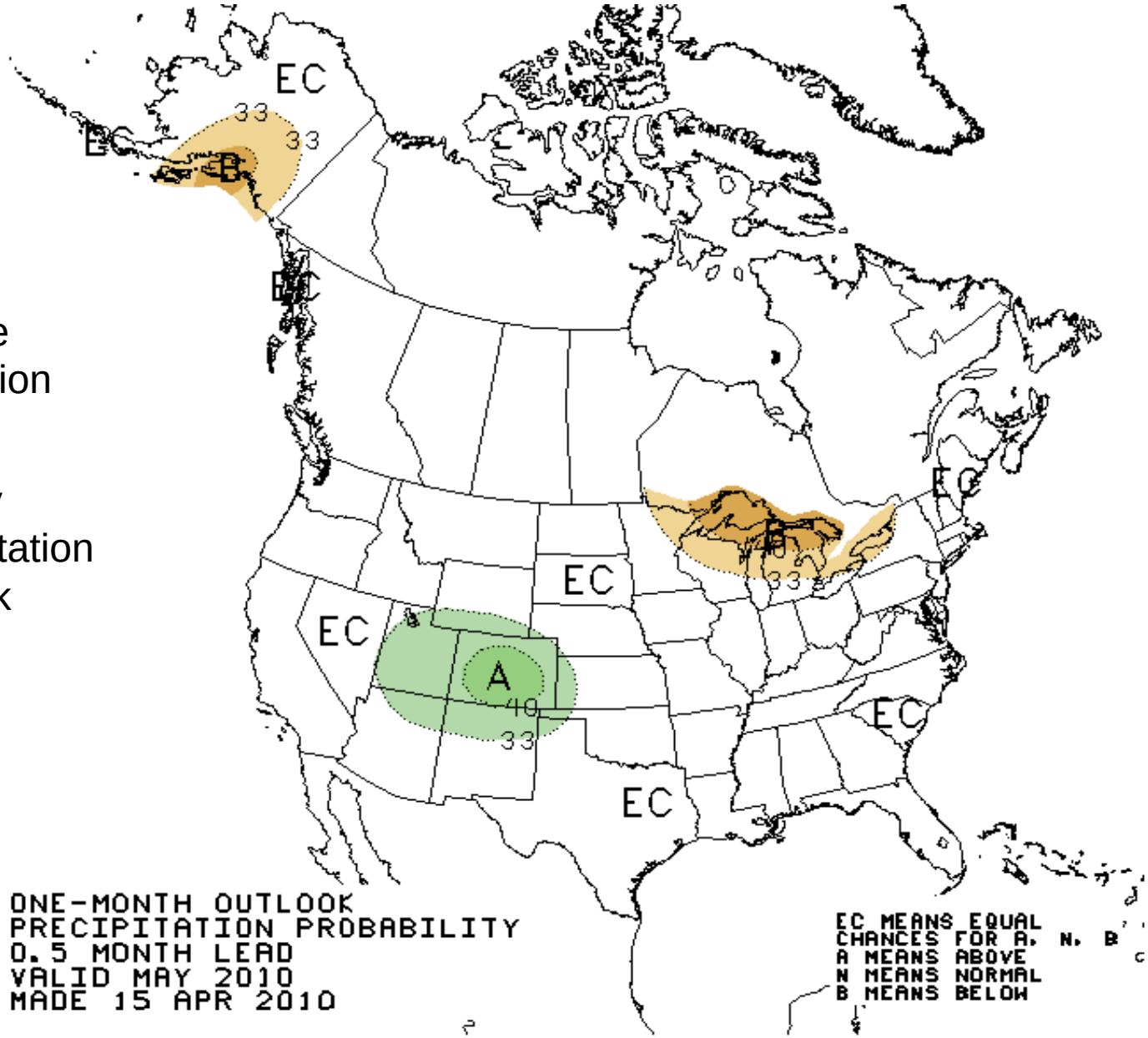
Climate Prediction Center

30-Day Precipitation Outlook



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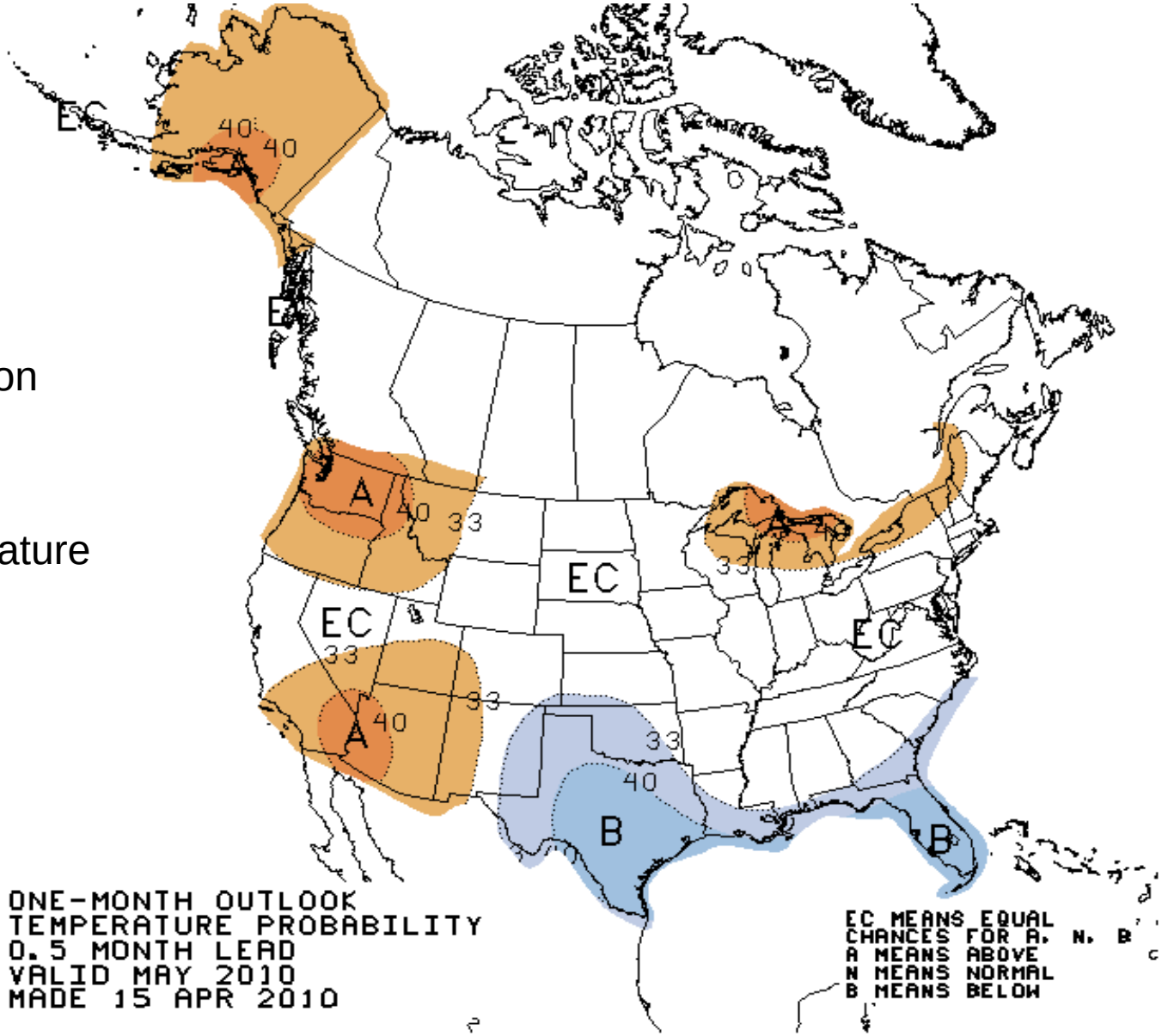
Climate Prediction Center

30-Day Temperature Outlook



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The BPA runs ESP for long range streamflow predictions

The NWRFC also runs ESP and say that they will be running ESP <u>only</u> in the future - doing away with regression forecasts

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HOW does ESP work?

First, Important Background Info:

Hydrologists at BPA produce short-range streamflow forecasts from a daily streamflow model which runs continuously with precipitation and temperature inputs. The daily model keeps track of snow and soil moisture conditions.

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ESP

- Start with current snow and soil moisture states from the daily streamflow model
- Include short-range weather forecasts from BPA meteorologists
- Run forward with possible future scenarios based on temperature and precipitation that have occurred in the past
- Produce probabilistic forecasts – Ensemble Streamflow Prediction

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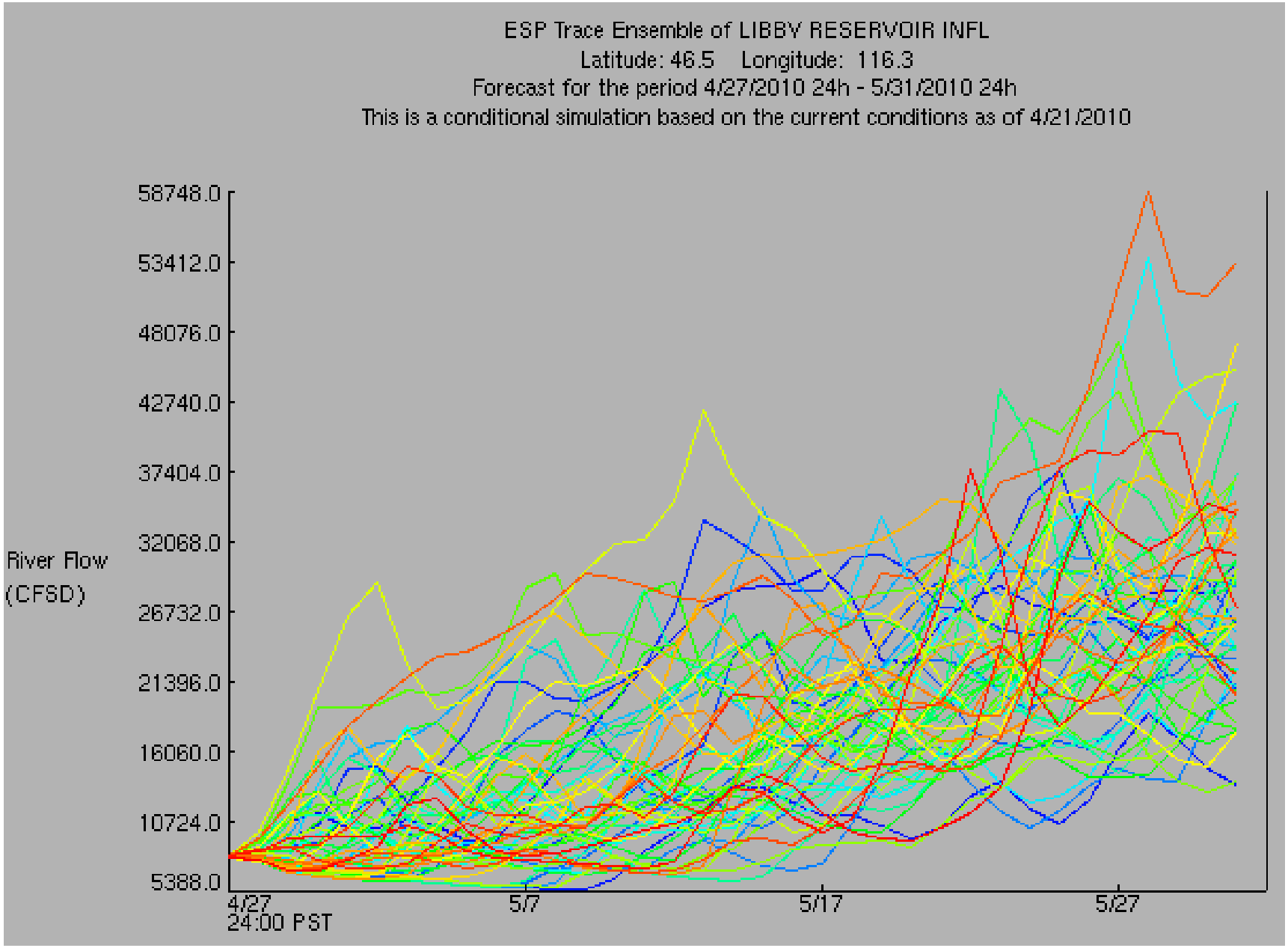

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Most Recent Forecast for The Dalles January-July Volume

- BPA Internal ESP Forecast – 69 MAF
- NWRFC Regression Forecast – **68.6** MAF
- NWRFC ESP Forecast – 67.7 MAF

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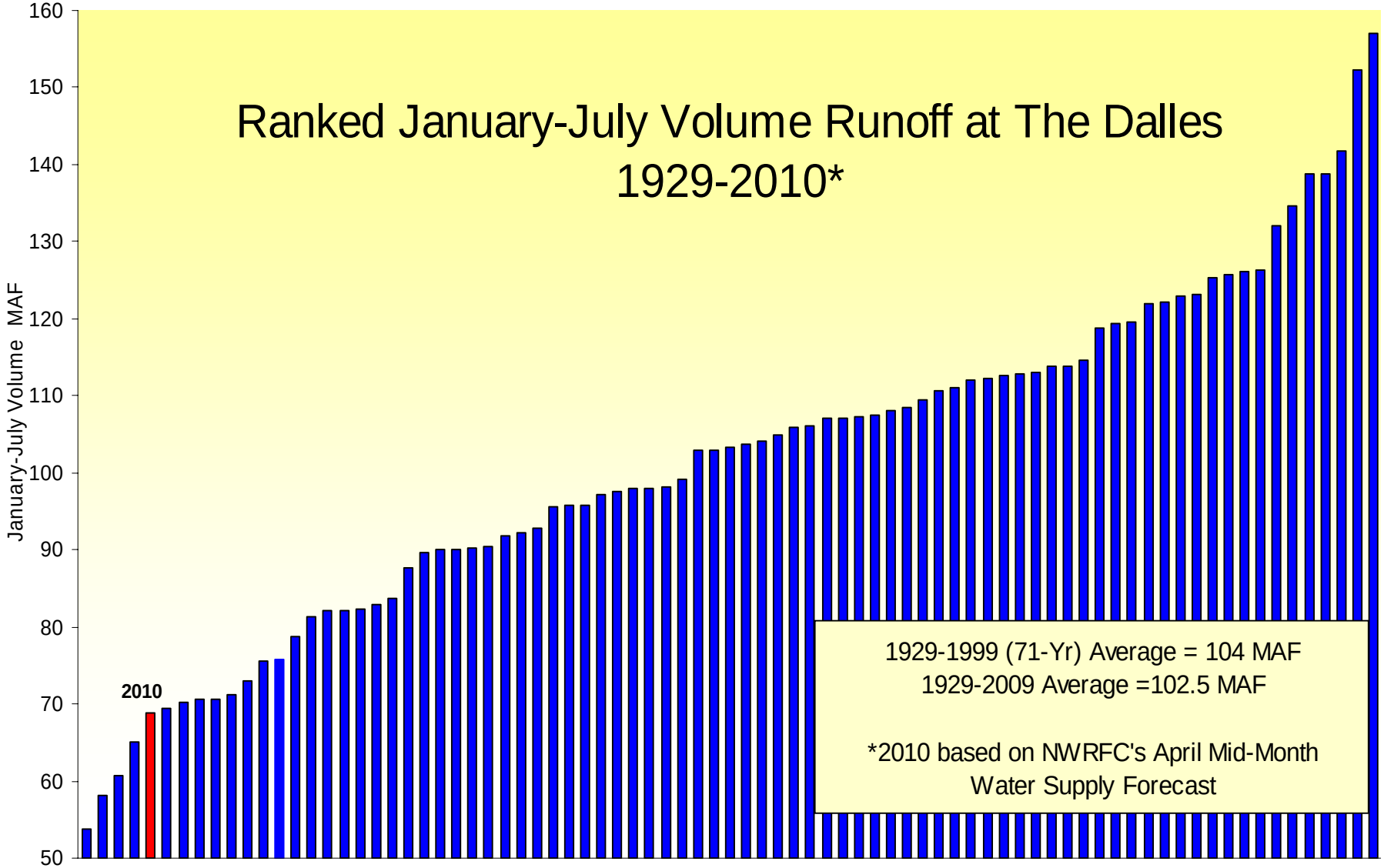

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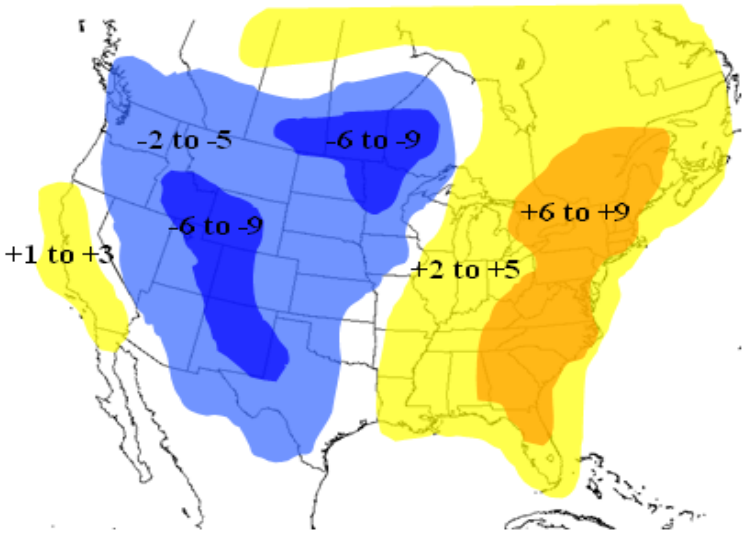
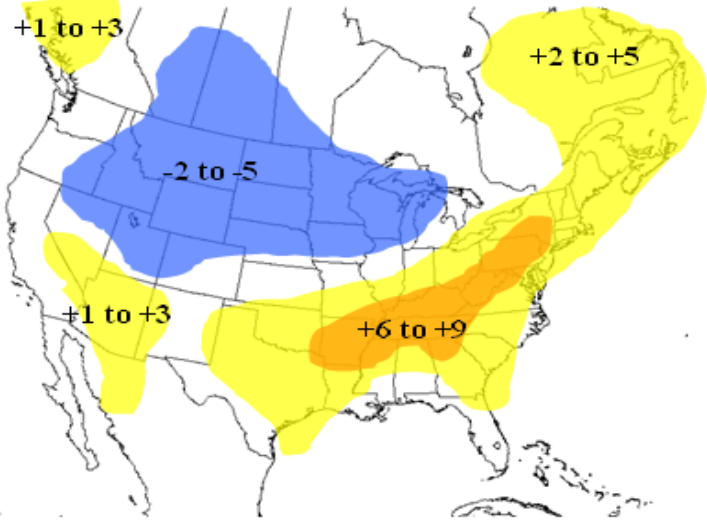
Expected Departures from Normal of Daily Mean Temperature

Issued Friday April 30, 2010

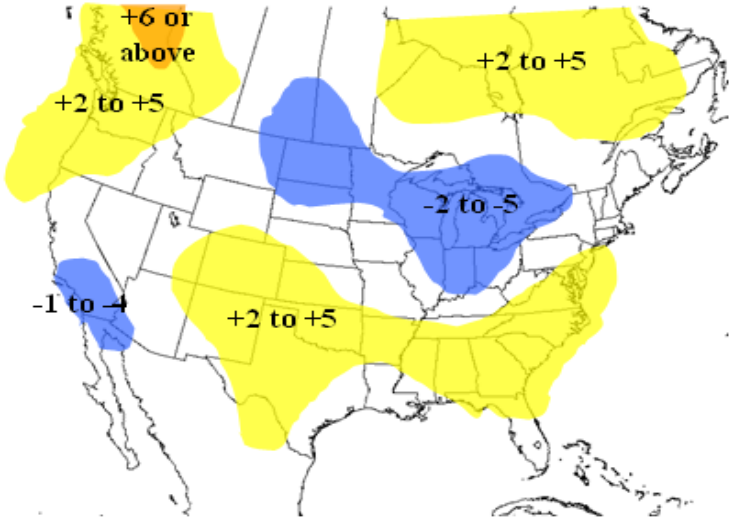
For May 1st through May 5th



For May 6th through May 10th



For May 11th through May 15th



Forecast by BPA Meteorologist Chris Karafotias

Normal (centered 5/3/10) low/high temps for N.Y. 50/66, Boston 46/62, Chicago 44/65, Atlanta 55/77, Washington, D.C. 52/72, Kansas City 49/70, Dallas 60/80, Houston 64/82, Denver 42/65, Seattle 45/62, Portland 45/65, Los Angeles (Downtown) 57/74, Sacramento 49/76, and Calgary 41/59

Forecast Confidence Level: Moderate

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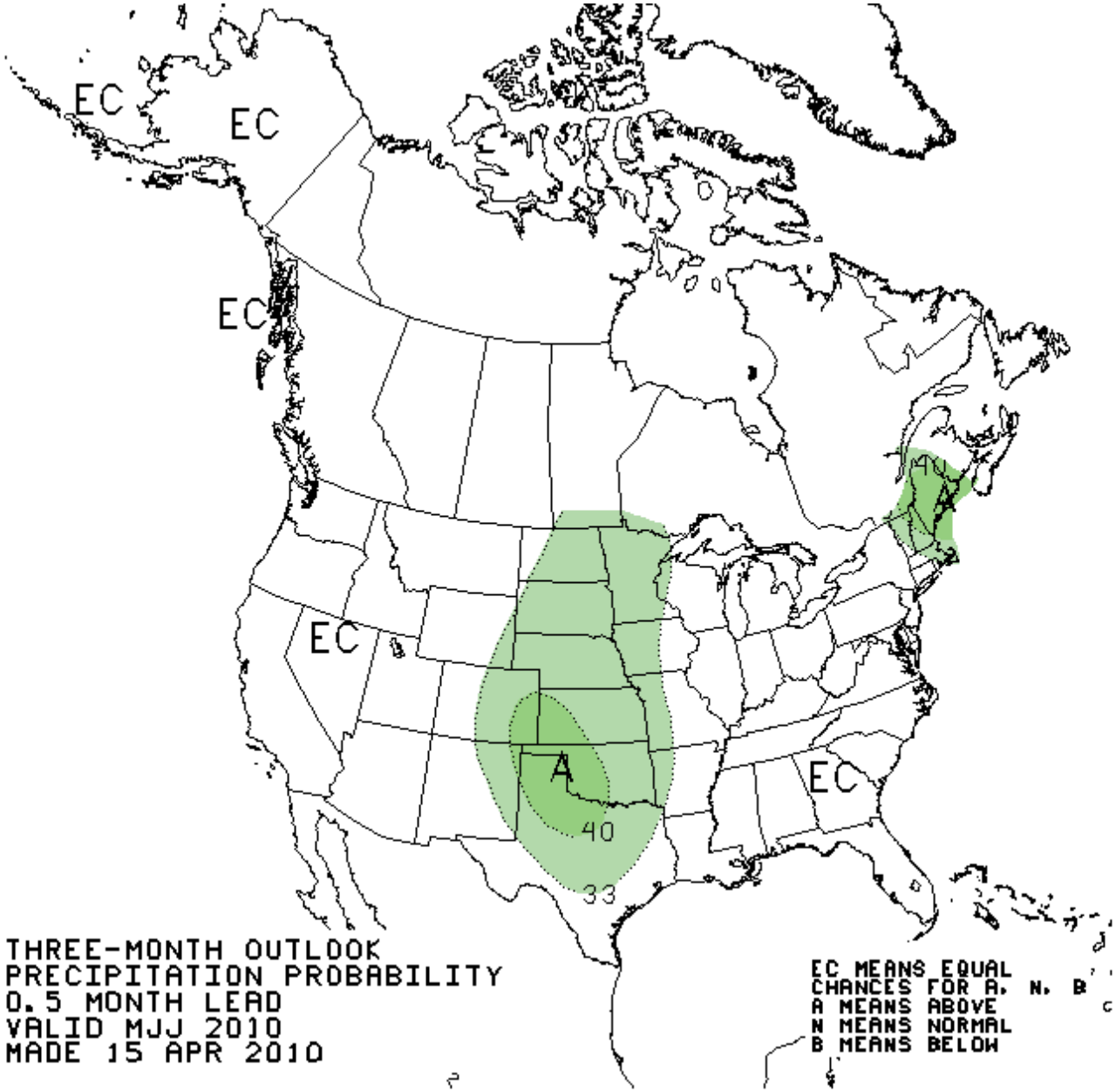
Climate Prediction Center

90-Day Precipitation Outlook



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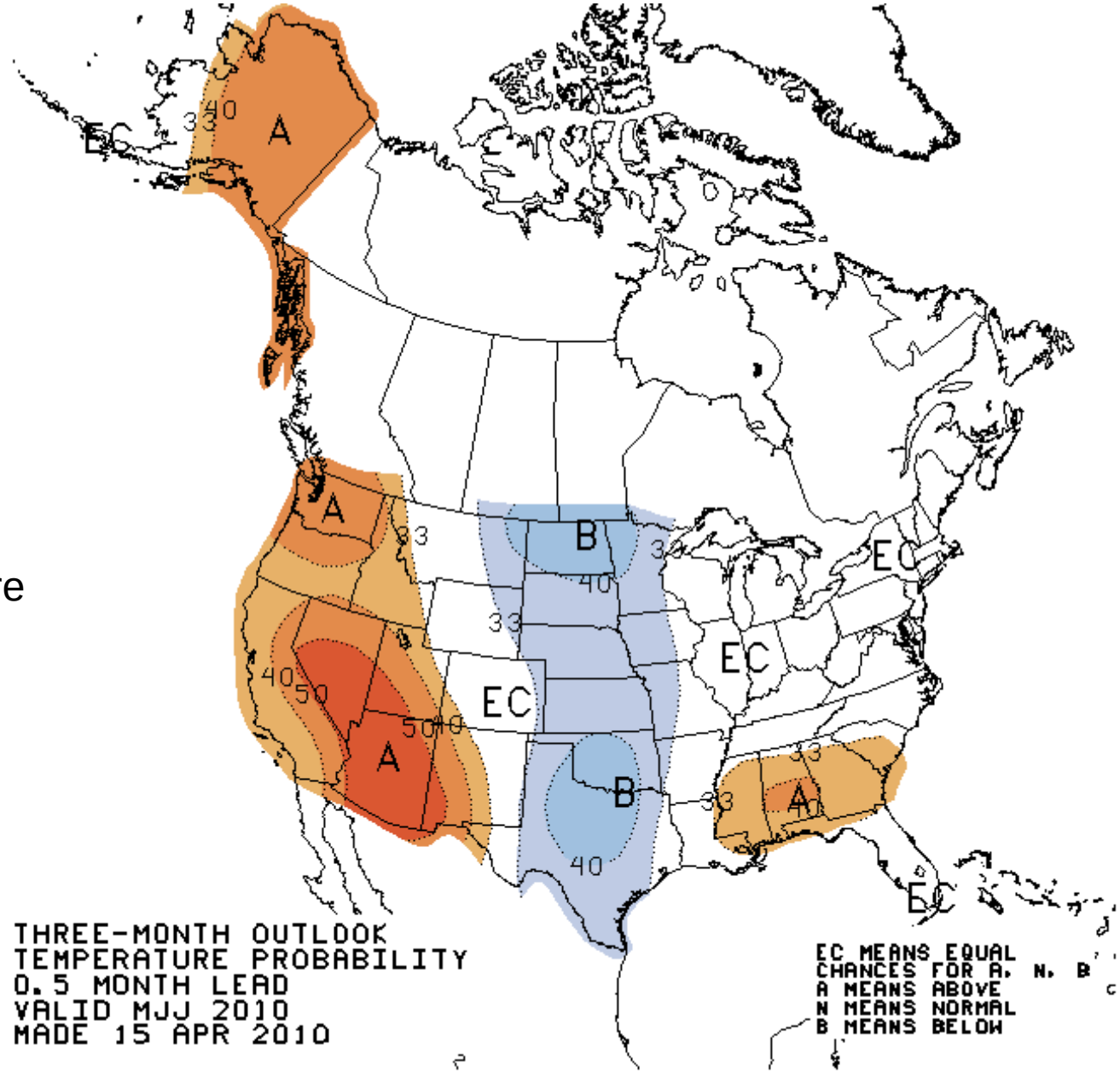
Climate Prediction Center

90-Day Temperature Outlook



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Questions?

Asset Management Strategies

Mike DeWolf

Manager, Asset Management

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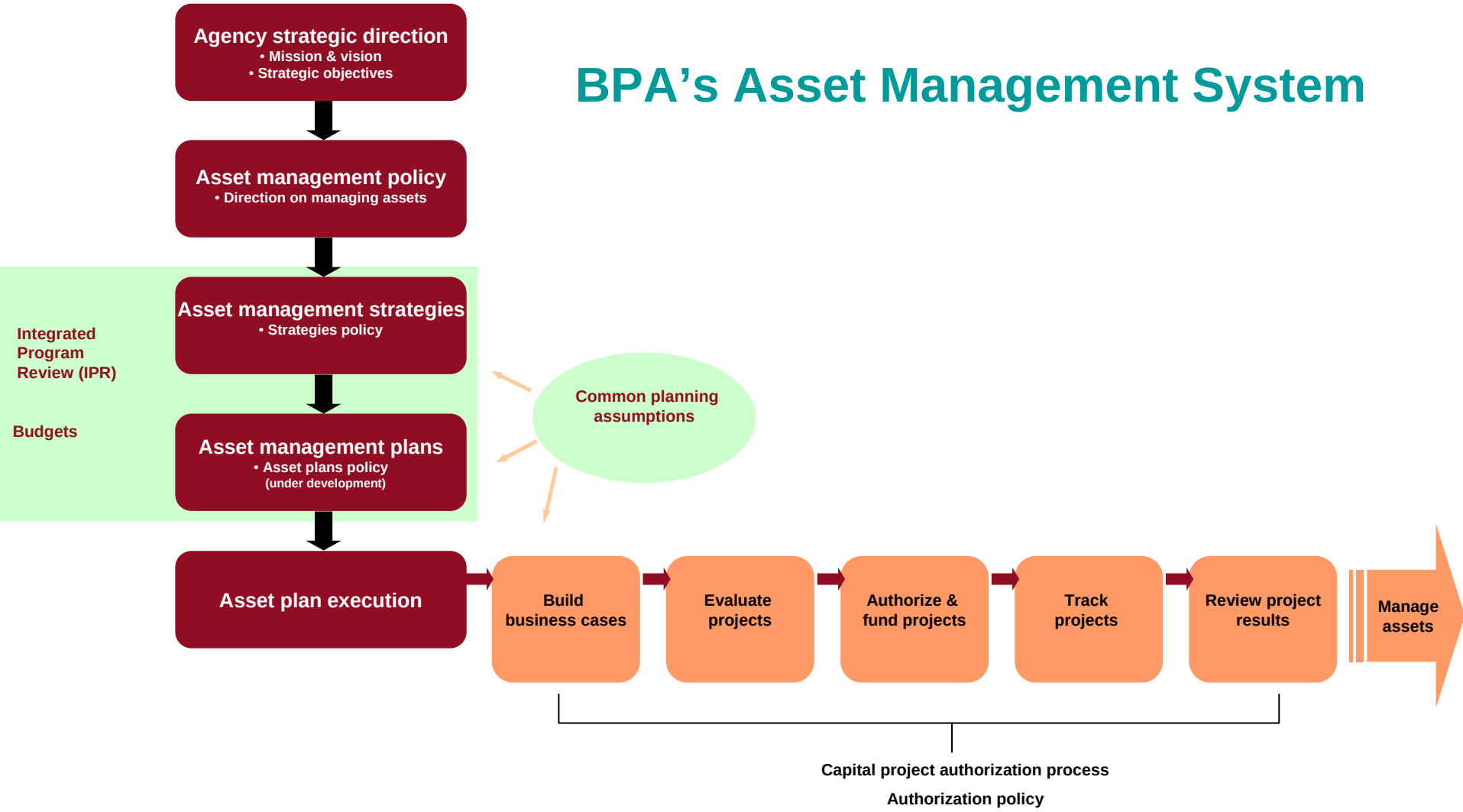
BPA's Asset Management System



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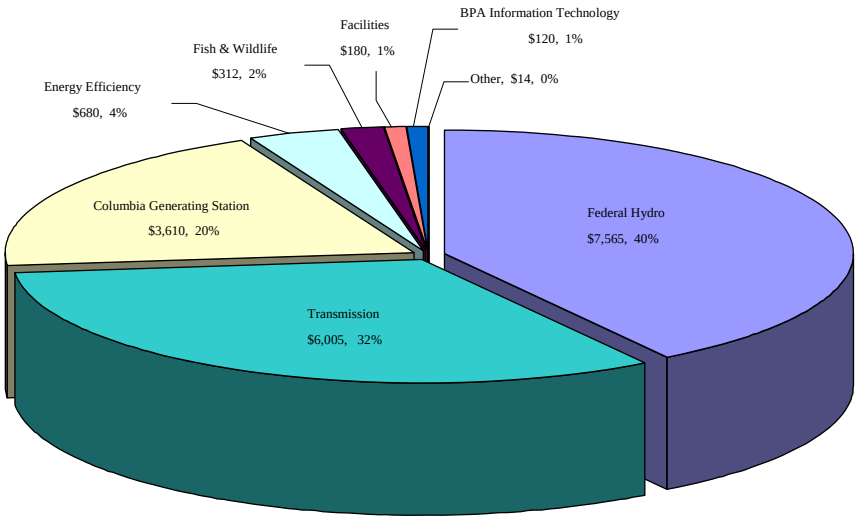
Historical investment in assets

Before and after depreciation

As of September 30, 2009

Cumulative Historical Investment for assets currently in service

Total: $18,486 million

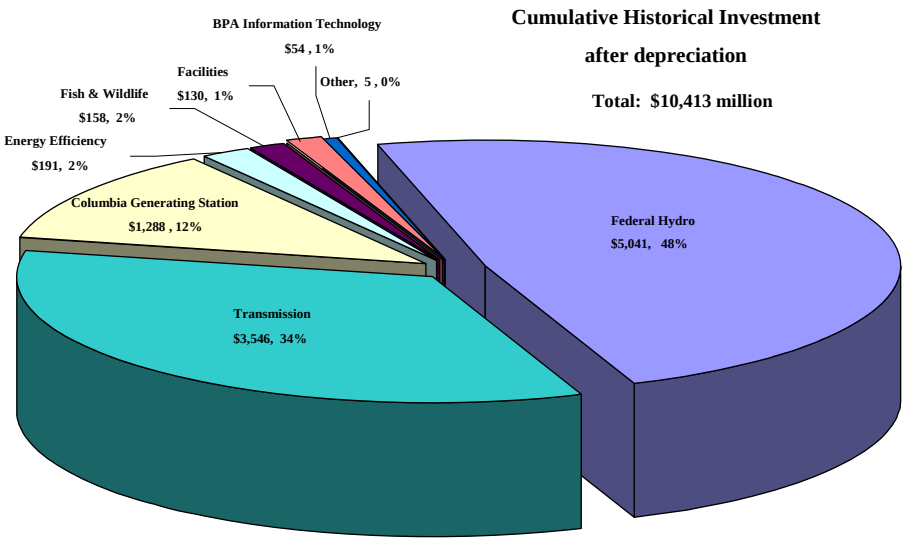


Includes physical assets:

- **Federal hydro generation** (power portion of Corps and Bureau-owned assets);
- **Transmission assets** (BPA owned and capital leased)
- **All buildings, facilities and related equipment** (BPA owned and leased)
- **Information technology hardware and software**
- Energy efficiency investments (funded by BPA – owned by others)
- Columbia Generating Station (funded by BPA, owned by Energy Northwest);
- Fish and Wildlife assets (funded by BPA – owned by others)

Cumulative Historical Investment after depreciation

Total: $10,413 million



Asset categories exclusively related to BPA include Transmission (including capital leases), BPA Information Technology, Facilities and Other. Gross plant assets exclusively related to BPA include Transmission, BPA IT, Facilities and Other. The total utility plant for the Federal Columbia River Power System FCRPS includes these asset categories plus Federal Hydro. Columbia Generating Station is owned by Energy Northwest, and the amounts shown are as of June 30, 2009 and consistent with that organization's Annual Report. Energy Efficiency and Fish and Wildlife assets are owned by other entities and are treated by BPA as regulatory assets. Columbia River Fish Mitigation plan costs are treated by BPA as regulatory assets and are not shown.

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Role of asset management strategies

- **Convert the agency's mission, vision, and strategic objectives into long-term investment and maintenance strategies**
- **Seek to . . .**
  - Ensure that critical assets operate reliably, meet availability requirements, and provide adequate capacity into the future
  - Long-term asset costs will be prudent and economic
- **Designed to answer these questions . . .**
  - ***What objectives should be set for asset performance?***
  - ***How are these assets performing today?***
  - ***What are the risks to meeting the objectives?***
  - ***What should investment and maintenance strategies be to meet the objectives?***
  - ***What are the anticipated costs?***

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Role of asset management strategies (2)

- **Span a 10-year (or longer) planning horizon**
  - Seven years for information technology assets
- **Integrate maintenance, replacements, and equipment sparing planning and implementation to minimize life cycle costs**
- **Directed at achieving asset performance objectives**
  - Reliability, adequacy, availability and other objectives
  - Metrics and “end-stage” targets
- **Assign priority to the most critical assets at greatest risk**
  - Operating failure, technological obsolescence, capacity adequacy, regulatory compliance and other risks
- **Focused on transmission, federal hydro, facilities and information technology assets this cycle**
- **Drive the development of:**
  - Planning levels for capital investment and maintenance
  - Detailed asset plans

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Policy criteria for replace Vs repair / maintain

Replacement of equipment and facilities should be considered if:

- Asset health poses an unacceptable risk of operating failure, and the life cycle cost of replacement is lower than the life cycle cost of repair;
- Asset capability does not meet acceptable performance standards due to premature wear, design problems, changed usage patterns, or changes in system operations;
- Asset technology is inferior or obsolete, and the life cycle savings from early replacement outweigh the cost of replacement;
- Replacement parts or technical expertise are no longer available to ensure asset performance to acceptable standards;
- Security risks, health and safety risks, or environmental risks are unacceptable, and the life cycle cost of replacement is lower than the life cycle cost of refurbishment, repair, or other, viable alternatives; or
- The agency's business continuity objectives would not otherwise be met, and the life cycle cost of replacement is lower than the life cycle cost of other, viable alternatives; or
- Risks to meeting statutory, regulatory or other legal obligations are unacceptable, and the life cycle cost of replacement is lower than the life cycle cost of other, viable alternatives.

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Sample asset performance objectives

Wood line reliability

Frequency of unplanned outages

- Performance objective: Minimize the **number** of unplanned transmission line outages on the most critical wood pole transmission lines (categories 1 through 4, 1 being most critical)
- Measure: System Average Interruption Frequency Index (SAIFI) – average number of automatic outages by BPA Line Category
- End-stage target: No more than 1 control chart violation per year for Wood Pole Transmission classified lines (typically line importance categories 3 and 4)

Duration of unplanned outages

- *Performance objective*: Minimize the ***duration*** of unplanned transmission line outages on the most critical wood pole transmission lines (categories 1 through 4, 1 being most critical)
- *Measure:* System Average Interruption Duration Index (SAIDI) – average number of automatic outage minutes by BPA Line Category
- *End-stage target:* No more than 1 control chart violation per year for wood pole transmission classified lines (typically line importance categories 3 and 4)

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Sample asset performance objectives (2)

System Protection Control

- **Performance objective:**
  - Relays and other critical System Protection Control equipment are at low risk of failure or obsolescence
- **Measures**:
  - Standardization and frequency of condition assessment for relays and sequential events recorders (SERS)
  - Percent of relays and SERS that are assessed to be in poor health condition based on maintainability and obsolescence
- **End-stage targets**:
  - Health condition of relays and SERS is assessed consistent with (1) condition-based standards, (2) standardized inspection protocols (including schedule), and (3) standardized risk assessment criteria
  - By the end of FY 2016, no more than 5 percent of total protective relays and no more than 20 percent of SERS are in poor health condition

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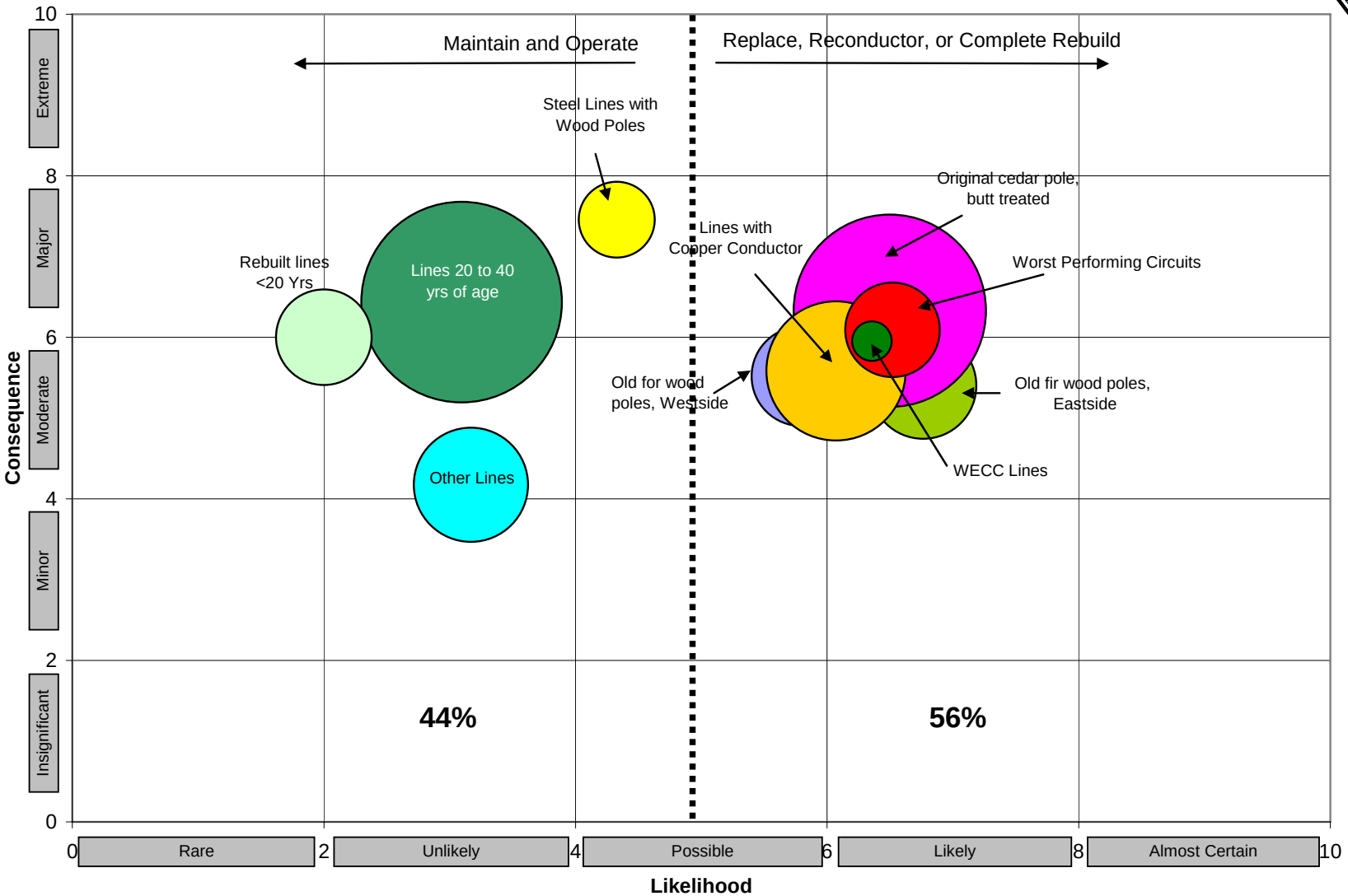
Sample risk map
(Bubble size represents volume of poles in each grouping)



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Sample financial risk map

(Federal Hydro Projects)

Likelihood	Insignificant < $ 10K	Minor $ 10K to $ 100K	Moderate $ 100K to $ 1 M	Major $ 1 M to $ 10 M	Extreme > $ 10 M	Condition Index
Almost Certain		8 Station Service 1 Operations Support	4 Operations Support 2 Cranes 2 Infrastructure	17 Unit Reliability	5 Unit Reliability	0 to 0.9 1 to 1.9
Likely	1 Operations Support	2 Operations Support	9 Unit Reliability 2 Station Service 7 Operations Support 9 Cranes 3 Infrastructure	46 Unit Reliability 6 Station Service 1 Operations Support 1 Water Control 12 Cranes 2 Infrastructure	22 Unit Reliability	2 to 2.9 3 to 3.9
Possible	7 Operations Support	3 Operations Support	9 Unit Reliability 7 Station Service 13 Operations Support 13 Water Control 17 Cranes 11 Infrastructure	219 Unit Reliability 17 Station Service 4 Water Control 14 Cranes	59 Unit Reliability	4 to 4.9 5 to 5.9
Unlikely	26 Operations Support	55 Unit Reliability 37 Station Service 19 Operations Support 19 Infrastructure	153 Unit Reliability 26 Station Service 50 Operations Support 7 Water Control 41 Cranes 25 Infrastructure	469 Unit Reliability 71 Station Service 5 Operations Support 15 Water Control 36 Cranes 4 Infrastructure	84 Unit Reliability 7 Station Service 1 Water Control	6 to 6.9 7 to 7.9
Rare	59 Operations Support 2 Infrastructure	369 Unit Reliability 83 Station Service 68 Operations Support 9 Water Control 3 Cranes 6 Infrastructure	425 Unit Reliability 184 Station Service 152 Operations Support 116 Water Control 47 Cranes 79 Infrastructure	1584 Unit Reliability 198 Station Service 20 Operations Support 74 Water Control 36 Cranes 6 Infrastructure	286 Unit Reliability 11 Station Service 4 Operations Support 7 Water Control	8 to 8.9 9 to 10

Consequence

Risk Level	Low	Medium	Medium High	High

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Asset Management Strategies

Highlights

Transmission

Asset health

- **Aging system**
  - Bulk of system built in 50's and 60's
  - For example, over 40 percent of AC power transformers are over 50 years of age with an expected life of 45 years, and over 40 percent of wood pole lines are over 50 years of age with an expected life of 60 years
- **Some critical equipment at risk of operating failure and technological obsolescence**
  - Significant backlogs in upgrades, replacements and maintenance require ramp-up and a sustained effort over many years
  - For example, communications/power system control, system protection control, wood lines

New capacity and operating requirements

- **Ramp-up in renewable resources requires upgrades and capacity additions to integrate the generation**
- **Additional upgrades and additions needed to relieve congestion, improve load service, and improve system operations**
  - Several paths at or near their capacity limits
- **New technologies present operational and economic opportunities**

Changing regulatory requirements

- **Increasing NERC/WECC regulatory requirements on asset reliability, adequacy, security**

Improvements in asset management practices

- **Continuing priorities: streamline and integrate business process and information systems**

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Asset Management Strategies

Highlights

Federal Hydro

- **Expanded condition assessments**
  - Before: power train equipment only
  - Now: most all power equipment
- **Some critical equipment at risk of operating failure**
  - Costly risk of lost generation
  - Need for replacements requires ramp-up and sustained effort over many years
- **Enhanced economic modeling and optimization of long-term investment program**
- **Strategy targets equipment for refurbishment/replacement if:**
  - High risk for safety or environment, or
  - Long-term costs would be minimized
- **Result:** long-term investment program that maintains the production capability of the FCRPS hydro system at a cost effective level of reliability

This information has been made publicly available by BPA on April 30, 2010, and is consistent with the Bonneville Power Administration's 2009 Annual Report and contains Agency-approved Financial Information

Asset Management Strategies

Highlights

Facilities

- **Documented backlog of deferred maintenance on non-electric facilities (NEF) drives necessary repairs and upgrades in order to meet Transmission Services' business requirements.**
  - **For example, systems with an expected life of 10 years are still in service 50 years later; many assets do not comply with current life safety codes; and some mechanical systems no longer meet operational needs.**
- **Identification and condition assessment of other non-building NEF assets, such as septic systems, storm water drains, pavement, etc.**
- **Declining state of the asset category: All NEF fall well below a Facility Condition Index rating of "poor" and the cumulative costs of identified repairs and renewals approach 40% of the asset replacement value.**
- **Development of an integrated strategy to address the above themes. The strategy will:**
  - **Improve investment decision-making, and set design and development standards**
  - **Correct facility systems reliability and life-safety deficiencies by implementing a risk-based prioritization methodology**
  - **Identify and set standards which integrates; responsible environmental stewardship, enhanced security and personnel safety into BPA's business processes**
  - **Identify and provide adequate implementation resources necessary for successful program execution**
  - **Optimize life-cycle management of facility assets through the identification and integration of industry best-practices, cost-effective solutions and operational and maintenance imperatives**
  - **Incorporate measurable sustainability targets that enhance energy efficiency in federal facilities**
  - **Analyze work practices and space needs in order to optimize requirements for major renovations or new building construction**

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Asset Management Strategies

Highlights

Information Technology

- **The information technology strategy includes four asset classes:**
  - Network – Data, voice and video capability
  - Data Center – Servers, operating systems, and database management systems and tools
  - Office Automation – Desktops, laptops, printers and desktop software
  - Applications – Critical business systems, business systems, general purpose systems and general task systems

- **Objectives are focused on ensuring that assets are:**
  - Reliable and available when needed
  - Adequate in capacity
  - Interoperable and efficient
  - Compliant with regulatory (NERC CIP) and Federal agency (FISMA) standards
  - Maintained and supported within standards

- **Strategies cover:**
  - Information technology solutions that will enable:
    - efficiency improvements in business processes
    - implementation of wind integration strategy
    - implementation of regional dialogue commitments
    - compliance with regulatory and federal agency standards and requirements
  - Modernization of agency's data center to increase efficiency and reduce total cost of ownership
  - Refresh cycles
  - Process improvements to improve service delivery, increase productivity and deliver efficiencies to control costs

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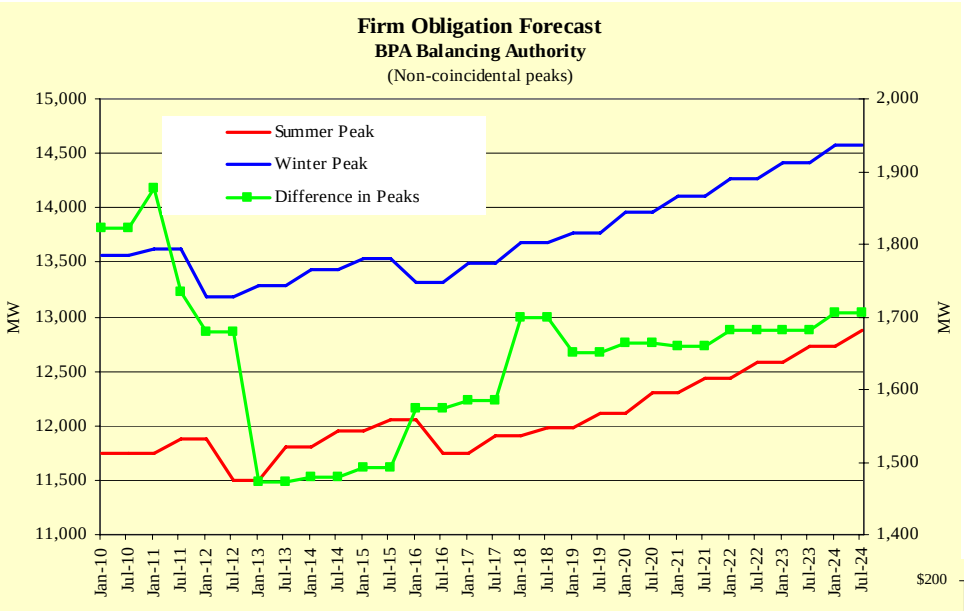
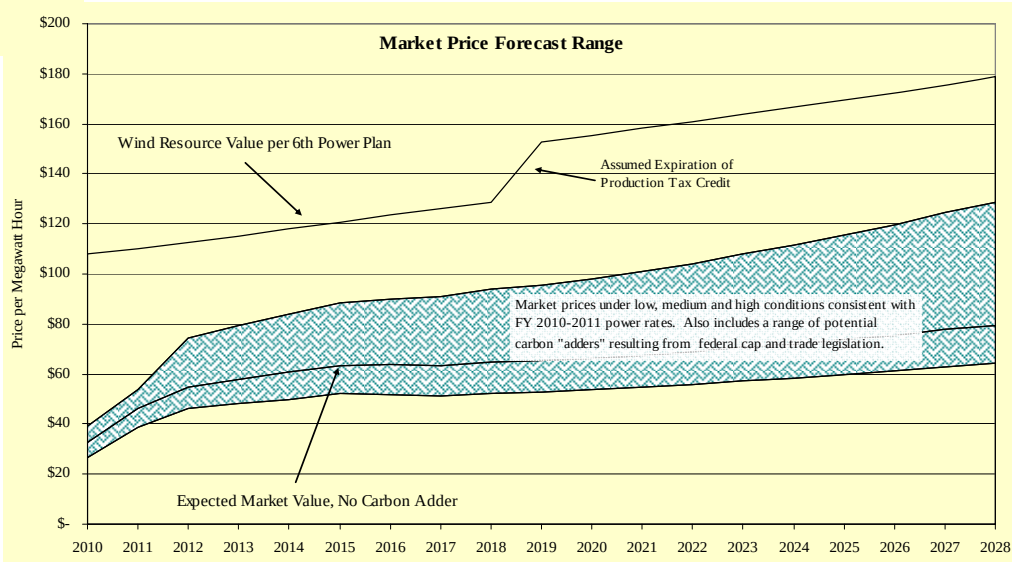
General planning assumptions

For purposes of developing long-term asset management strategies

General Planning Assumptions





Forecasts are for long-term investment planning purposes, not for rate case purposes.

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General Planning Assumptions (2)

Inflation rates
(Source: Global Insights, BPA Finance)

Year	Inflation Rate
Figure 8 **Source: BPA -KSL, Load Forecasting and Analysis)**	
FY 2010	1.46%
FY 2011	1.57%
FY 2012	1.82%
FY 2013	1.98%
FY 2014	2.04%
FY 2015 & beyond	2.00%

Equipment cost

Varies by equipment type

Overhead charges
(Source: BPA Finance)

Direct capital costs are normally assigned Transmission indirect and Corporate Overhead charges. Overheads are applied to direct capital costs in the following categories: BPA labor, materials/supplies/equipment, supplemental labor and service contracts, and construction/survey/turnkey contracts. Overhead rates include both a Transmission and Corporate component.

BPA labor	34%
Materials/supplies/equipment	19%
Supplemental labor and service contracts	34%
Construction, survey and turnkey contracts	19%

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General Planning Assumptions (3)

Allowance for Funds Used During Construction (AFUDC)

(Source: BPA Finance)

Once the overheads are applied, Allowance for Funds Used During Construction (AFUDC) is then calculated on the basis of the project's construction work in progress balances (i.e., cumulative, "fully loaded" capital expenditures.) The AFUDC rate is based on bonds and notes issued by Finance to fund capital investments. Because a construction project's full price tag includes financing costs, AFUDC is capitalized with other construction work-in-progress charges.

AFUDC is calculated for investments financed by:

- bonds issued to the US Treasury
- BPA reserves
- NIFC

AFUDC is not calculated for:

- regulatory assets, such as spacer dampers
- investments financed in advance by customers (PFIA)
- investments financed by appropriations (such as the radio spectrum relocation project)

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Appendix

Power and Transmission Services
Detailed Statement of Revenues and Expenses
1st Quarter Capital Report

Power Services

Report ID: 0060FY10
Requesting BL: POWER BUSINESS UNIT
Unit of Measure: $ Thousands

Power Services Detailed Statement of Revenues and Expenses

Through the Month Ended March 31, 2010
Preliminary/ Unaudited

Run Date\Time: April 23, 2010 06:54
Data Source: EPM Data Warehouse
% of Year Lapsed = 50%

		A	B	C	D	E	F
		FY 2009	FY 2010			FY 2010	FY 2010
		Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
	Operating Revenues						
1	**Gross Sales (excluding bookout adjustment)** <Notes 1 and 4	$2,090,387	$2,658,676	$2,658,694	$2,148,411	$1,184,552	55%
2	**Bookout Adjustment to Sales** <Note 1	(36,814)			(34,654)	(34,654)	100%
3	**Miscellaneous Revenues**	33,383	29,421	29,421	26,559	12,493	47%
4	**Inter-Business Unit**	78,318	90,171	90,171	98,163	48,326	49%
5	**Derivative Instruments** <Note 2	(34,677)			7,986	7,986	100%
6	**U.S. Treasury Credits**	104,099	101,289	101,289	145,384	59,786	41%
7	**Total Operating Revenues**	**$2,234,695**	**$2,879,557**	**$2,879,575**	**$2,391,849**	**$1,278,490**	**53%**
	Operating Expenses						
	Power System Generation Resources						
	Operating Generation						
8	COLUMBIA GENERATING STATION	288,208	257,811	257,811	264,411	114,713	43%
9	BUREAU OF RECLAMATION	78,228	87,318	87,318	87,318	37,504	43%
10	CORPS OF ENGINEERS	178,407	191,060	191,060	191,060	78,016	41%
11	LONG-TERM CONTRACT GENERATING PROJECTS	28,783	30,455	30,455	32,755	13,615	42%
12	**Sub-Total**	573,626	566,644	566,644	575,544	243,847	42%
	Operating Generation Settlements and Other Payments						
13	COLVILLE GENERATION SETTLEMENT	18,170	21,328	21,328	16,712	6,467	39%
14	SPOKANE LEGISLATION PAYMENT						
15	**Sub-Total**	18,170	21,328	21,328	16,712	6,467	39%
	Non-Operating Generation						
16	TROJAN DECOMMISSIONING	(1,304)	2,200	2,200	2,200	1,694	77%
17	WNP-1&3 DECOMMISSIONING	550	418	418	418	166	40%
18	**Sub-Total**	(754)	2,618	2,618	2,618	1,860	71%
	Gross Contracted Power Purchases (excluding bookout adjustments) <Note 1						
19	DSI MONETIZED POWER SALES	40,394					
20	PNCA HEADWATER BENEFITS	1,427	2,042	2,042	2,042	1,082	53%
21	OTHER POWER PURCHASES - (e.g. Short-Term)	280,487	87,631	87,881	387,079	237,017	61%
22	**Sub-Total**	322,308	89,673	89,923	389,121	238,100	61%
23	**Bookout Adjustments to Contracted Power Purchases** <Note 1	(36,814)			(34,654)	(34,654)	100%
	Augmentation Power Purchases (includes IOU Load Reduc. and Buy Backs)						
24	AUGMENTATION POWER PURCHASES	2,051	180,765	180,766	2,716	1,495	55%
25	CONSERVATION AUGMENTATION						
26	**Sub-Total**	2,051	180,765	180,766	2,716	1,495	55%
	Exchanges & Settlements						
27	RESIDENTIAL EXCHANGE PROGRAM <Note 4	205,171	263,137	264,528	179,820	102,423	57%
28	OTHER SETTLEMENTS						
29	**Sub-Total**	205,171	263,137	264,528	179,820	102,423	57%
	Renewable Generation						
30	RENEWABLES R&D	840	6,174	1,665	1,665	401	24%
31	RENEWABLE CONSERVATION RATE CREDIT	6,323	4,000	4,000	4,000	2,078	52%
32	RENEWABLES	31,080	35,414	35,413	35,413	14,845	42%
33	**Sub-Total**	38,243	45,588	41,078	41,078	17,324	42%

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Report ID: 0060FY10	Power Services Detailed Statement of Revenues and Expenses	Run Date\Time: April 23, 2010 06:54
Requesting BL: POWER BUSINESS UNIT	Through the Month Ended March 31, 2010	Data Source: EPM Data Warehouse
Unit of Measure: $ Thousands	Preliminary/ Unaudited	% of Year Lapsed = 50%

	Generation Conservation						
34	GENERATION CONSERVATION R&D	2,338		3,200	3,200	1,170	37%
35	DSM TECHNOLOGY	686		1,600	1,500	218	15%
36	CONSERVATION ACQUISITION	6,475	14,000	14,000	10,000	2,808	28%
37	LOW INCOME WEATHERIZATION & TRIBAL	6,569	5,000	5,000	5,000	1,426	29%
38	ENERGY EFFICIENCY DEVELOPMENT	10,212	20,500	20,500	13,000	7,489	58%
39	LEGACY	1,421	1,988	1,025	1,018	638	63%
40	MARKET TRANSFORMATION	9,631	14,500	14,500	11,000	5,140	47%
41	**Sub-Total**	37,333	55,988	59,825	44,718	18,888	42%
42	**Conservation Rate Credit (CRC)**	23,869	28,000	28,000	26,000	12,549	48%
43	**Power System Generation Sub-Total**	**1,183,202**	**1,253,742**	**1,254,711**	**1,243,673**	**608,298**	**49%**
	Power Non-Generation Operations						
	Power Services System Operations						
44	EFFICIENCIES PROGRAM						
45	PBL SYSTEM OPERATIONS R&D	172			33	35	105%
46	INFORMATION TECHNOLOGY	4,834	6,318	6,297	6,296	2,064	33%
47	GENERATION PROJECT COORDINATION	5,761	7,290	8,760	4,898	2,353	48%
48	SLICE IMPLEMENTATION	1,872	2,396	1,859	1,957	1,000	51%
49	**Sub-Total**	12,640	16,004	16,915	13,184	5,451	41%
	Power Services Scheduling						
50	OPERATIONS SCHEDULING	8,196	9,317	9,168	9,168	3,934	43%
51	PBL SCHEDULING R&D				14	14	100%
52	OPERATIONS PLANNING	6,160	5,808	6,066	6,097	2,915	48%
53	**Sub-Total**	14,357	15,125	15,234	15,279	6,864	45%
	Power Services Marketing and Business Support						
54	SALES & SUPPORT	17,453	19,120	19,461	18,597	8,378	45%
55	STRATEGY, FINANCE & RISK MGMT	14,248	16,972	17,892	17,400	6,643	38%
56	EXECUTIVE AND ADMINISTRATIVE SERVICES	2,134	2,546	3,139	3,145	1,145	36%
57	CONSERVATION SUPPORT	8,647	11,254	8,849	8,836	4,122	47%
58	**Sub-Total**	42,482	49,893	49,341	47,977	20,289	42%
59	**Power Non-Generation Operations Sub-Total**	**69,479**	**81,022**	**81,490**	**76,440**	**32,603**	**43%**
	Power Services Transmission Acquisition and Ancillary Services						
	PBL Transmission Acquisition and Ancillary Services						
60	POWER SERVICES TRANSMISSION & ANCILLARY SERVICES	108,074	128,677	119,177	91,355	46,352	51%
61	3RD PARTY GTA WHEELING	41,341	50,690	50,690	50,690	22,630	45%
62	POWER SERVICES - 3RD PARTY TRANS & ANCILLARY SVCS	1,846	1,000	1,000	1,900	1,935	102%
63	GENERATION INTEGRATION	6,528	6,800	6,800	6,800	4,513	66%
64	TELEMETERING/EQUIP REPLACEMT	13	50	50	50	20	39%
65	**Power Srvcs Trans Acquisition and Ancillary Services Sub-Total**	**157,802**	**187,217**	**177,717**	**150,795**	**75,450**	**50%**
	Fish and Wildlife/USF&W/Planning Council/Environmental Req						
	BPA Fish and Wildlife (includes F&W Shared Services)						
66	**Fish & Wildlife**	177,859	215,000	215,000	215,000	87,640	41%
67	**USF&W Lower Snake Hatcheries**	20,774	23,600	23,600	23,600	11,174	47%
68	**Planning Council**	9,424	9,683	9,683	9,683	4,655	48%
69	**Environmental Requirements**	1	300	300	300	1	0%
70	**Fish and Wildlife/USF&W/Planning Council Sub-Total**	**208,059**	**248,583**	**248,583**	**248,583**	**103,469**	**42%**

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Report ID: 0060FY10 | **Power Services Detailed Statement of Revenues and Expenses** | Run Date\Time: April 23, 2010 06:54
Requesting BL: POWER BUSINESS UNIT | Through the Month Ended March 31, 2010 | Data Source: EPM Data Warehouse
Unit of Measure: $ Thousands | Preliminary/ Unaudited | % of Year Lapsed = 50%

		A	B	C	D	E	F
		FY 2009	FY 2010			FY 2010	FY 2010
		Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
	BPA Internal Support						
71	Additional Post-Retirement Contribution	16,353	15,447	16,717	16,717	8,359	50%
72	Agency Services G&A (excludes direct project support)	48,216	49,961	49,335	49,694	24,059	48%
73	**BPA Internal Support Sub-Total**	**64,569**	**65,408**	**66,052**	**66,411**	**32,418**	**49%**
74	**Bad Debt Expense**	**2**			**45**	**45**	**100%**
75	**Other Income, Expenses, Adjustments**	**(2,456)**		**(1,428)**	**77**	**77**	**100%**
	Non-Federal Debt Service						
	Energy Northwest Debt Service						
76	COLUMBIA GENERATING STATION DEBT SVC	160,501	235,736	235,618	221,801	107,924	49%
77	WNP-1 DEBT SVC	118,068	166,013	164,957	155,060	80,851	52%
78	WNP-3 DEBT SVC	110,182	144,892	149,486	120,096	65,925	55%
79	EN RETIRED DEBT	27,500					
80	EN LIBOR INTEREST RATE SWAP	19,337		10,700	34,405	34,405	100%
81	**Sub-Total**	435,588	546,641	560,761	531,362	289,104	54%
	Non-Energy Northwest Debt Service						
82	TROJAN DEBT SVC	1,314					
83	CONSERVATION DEBT SVC	5,211	5,079	5,079	4,940	2,515	51%
84	COWLITZ FALLS DEBT SVC	11,703	11,566	11,566	11,566	5,854	51%
85	NORTHERN WASCO DEBT SVC	3,227	2,200	2,200	2,200	1,113	51%
86	**Sub-Total**	21,456	18,845	18,845	18,706	9,482	51%
87	**Non-Federal Debt Service Sub-Total**	**457,044**	**565,486**	**579,606**	**550,068**	**298,587**	**54%**
88	**Depreciation**	**110,532**	**120,111**	**113,300**	**111,000**	**54,145**	**49%**
89	**Amortization**	**70,256**	**77,728**	**74,135**	**75,535**	**36,874**	**49%**
90	**Total Operating Expenses**	**$2,318,490**	**$2,599,296**	**$2,594,166**	**$2,522,628**	**$1,241,966**	**49%**
91	**Net Operating Revenues (Expenses)**	**($83,795)**	**$280,261**	**$285,409**	**($130,779)**	**$36,524**	**-128%**
	Interest Expense and (Income)						
92	Federal Appropriation	217,780	223,278	222,490	223,880	111,564	50%
93	Capitalization Adjustment	(45,937)	(45,937)	(45,937)	(45,937)	(22,968)	50%
94	Borrowings from US Treasury	35,818	42,246	35,516	33,498	16,943	51%
95	AFUDC	(9,336)	(10,800)	(13,000)	(13,900)	(6,057)	44%
96	Interest Income	(46,817)	(42,404)	(41,471)	(22,815)	(13,508)	59%
97	**Net Interest Expense (Income)**	**151,508**	**166,383**	**157,598**	**174,726**	**85,973**	**49%**
98	**Total Expenses**	**$2,469,998**	**$2,765,679**	**$2,751,764**	**$2,697,354**	**$1,327,939**	**49%**
99	**Net Revenues (Expenses)**	**($235,303)**	**$113,878**	**$127,811**	**($305,505)**	**($49,449)**	**16%**

<1 For BPA management reports, Gross Sales and Purchase Power are shown separated from the power bookout adjustment (EITF 03-11, effective as of Oct 1, 2003) to provide a better picture of our gross sales and gross purchase power.

<2 This is an "accounting only" (no cash impact) adjustment representing the mark-to-market (MTM) adjustment required by SFAS 133, as amended, for identified derivative instruments. The MTM adjustment is excluded in calculating Modified Net Revenues for rate setting purposes.

<3 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties among other factors may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.

<4 The Residential Exchange Program Lookback Amount applied is returned to the Consumer Owned Utilities (COUs) and recovered from the Investor Owned Utilities. Throughout the year actual revenue will be reduced by this amount to reflect the Lookback Amount refunds returned to COUs and actual REP expense will be reduced to reflect the Lookback Amount returned by the IOUs. Budgets were developed with the Lookback Amount applied as an increase to the REP expense, without adjustment to revenue. These circumstances will present actual revenue and REP expense running under budget.

This information has been made publicly available by BPA on April 30, 2010 and contains BPA-Approved Agency Financial Information

Transmission Services

Report ID: 0061FY10 | **Transmission Services Detailed Statement of Revenues and Expenses** | Run Date/Time: April 23, 2010 06:55
Requesting BL: TRANSMISSION BUSINESS UNIT | Through the Month Ended March 31, 2010 | Data Source: EPM Data Warehouse
Unit of Measure: $ Thousands | Preliminary/ Unaudited | % of Year Lapsed = 50%

		A	B	C	D	E	F
		FY 2009	FY 2010			FY 2010	FY 2010
		Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
	Operating Revenues						
	Sales						
	Network						
1	**Network Integration**	$115,120	122,266	120,203	$123,177	$67,789	55%
2	**Other Network**	351,122	355,195	354,489	358,753	179,252	50%
3	**Intertie**	67,172	68,836	68,820	67,435	32,383	48%
4	**Other Direct Sales**	155,783	167,685	168,157	187,755	94,441	50%
5	**Miscellaneous Revenues**	24,710	32,378	33,981	31,265	14,617	47%
6	**Inter-Business Unit Revenues**	117,932	117,381	121,415	107,853	52,374	49%
7	**Total Operating Revenues**	**$831,840**	**$863,739**	**$867,065**	**$876,238**	**$440,856**	**50%**
	Operating Expenses						
	Transmission Operations						
	System Operations						
8	INFORMATION TECHNOLOGY	4,572	7,005	7,933	7,951	2,167	27%
9	POWER SYSTEM DISPATCHING	11,138	11,461	11,434	11,434	5,725	50%
10	CONTROL CENTER SUPPORT	11,400	13,172	12,020	12,020	5,390	45%
11	TECHNICAL OPERATIONS	5,242	5,882	10,975	10,034	2,118	21%
12	SUBSTATION OPERATIONS	19,168	19,024	19,905	19,908	9,634	48%
13	**Sub-Total**	51,520	56,544	62,267	61,346	25,034	41%
	Scheduling						
14	MANAGEMENT SUPERVISION & ADMINISTRATION	237	703			62	
15	RESERVATIONS	790	1,023	1,268	1,268	361	28%
16	PRE-SCHEDULING	261	448	105	5	93	1831%
17	REAL-TIME SCHEDULING	3,492	4,808	5,219	4,519	1,632	36%
18	SCHEDULING TECHNICAL SUPPORT	1,564	2,271	2,501	2,401	926	39%
19	SCHEDULING AFTER-THE-FACT	310	415	48	48	115	238%
20	**Sub-Total**	6,655	9,668	9,141	8,241	3,188	39%
	Marketing and Business Support						
21	TRANSMISSION SALES	2,298	3,120	3,055	3,055	1,673	55%
22	MKTG INTERNAL OPERATIONS					2	16000000%
23	MKTG TRANSMISSION FINANCE	398	291	289	289	160	55%
24	MKTG CONTRACT MANAGEMENT	3,556	4,706	4,964	4,830	1,786	37%
25	MKTG TRANSMISSION BILLING	2,698	2,224	2,592	2,365	934	39%
26	MKTG BUSINESS STRAT & ASSESS	5,346	6,732	6,640	6,485	2,504	39%
27	MARKETING IT SUPPORT	22	2,012				
28	MARKETING AND SALES						
29	METER DATA						
30	**Marketing Sub-Total**	14,318	19,086	17,539	17,024	7,060	41%
31	EXECUTIVE AND ADMIN SERVICES	9,311	7,618	11,691	12,627	5,599	44%
32	LEGAL SUPPORT	2,401	2,928	3,117	2,743	1,007	37%
33	TRANS SERVICES INTERNAL GENERAL & ADMINISTRATIVE	6,453	14,447	9,114	8,884	3,297	37%
34	AIRCRAFT SERVICES	921	1,160	2,102	1,849	419	23%
35	LOGISTICS SERVICES	3,756	7,566	9,883	5,135	2,207	43%
36	SECURITY ENHANCEMENTS	3,186	1,383	522	842	449	53%
37	**Business Support Sub-Total**	26,028	35,102	36,429	32,079	12,977	40%
38	**Transmission Operations Sub-Total**	**98,521**	**120,400**	**125,377**	**118,691**	**48,259**	**41%**

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Report ID: 0061FY10 | **Transmission Services Detailed Statement of Revenues and Expenses** | Run Date/Time: April 23, 2010 06:55
Requesting BL: TRANSMISSION BUSINESS UNIT | Through the Month Ended March 31, 2010 | Data Source: EPM Data Warehouse
Unit of Measure: $ Thousands | Preliminary/ Unaudited | % of Year Lapsed = 50%

		A	B	C	D	E	F
		FY 2009	FY 2010			FY 2010	FY 2010
		Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
	Transmission Maintenance						
	System Maintenance						
39	NON-ELECTRIC MAINTENANCE	11,280	26,046	21,672	21,256	5,342	25%
40	SUBSTATION MAINTENANCE	25,522	22,243	23,364	23,364	10,953	47%
41	TRANSMISSION LINE MAINTENANCE	21,983	25,540	23,475	23,475	11,461	49%
42	SYSTEM PROTECTION CONTROL MAINTENANCE	11,419	10,798	13,059	12,059	5,116	42%
43	POWER SYSTEM CONTROL MAINTENANCE	10,271	10,147	11,258	12,258	5,123	42%
44	JOINT COST MAINTENANCE	142	196	157	157	47	30%
45	SYSTEM MAINTENANCE MANAGEMENT	7,753	6,001	5,968	6,186	4,685	76%
46	ROW MAINTENANCE	34,417	18,181	30,017	30,017	10,910	36%
47	HEAVY MOBILE EQUIP MAINT	58		(53)	(53)	(342)	641%
48	TECHNICAL TRAINING	2,466	2,657	2,571	2,571	1,132	44%
49	**Sub-Total**	125,311	121,810	131,489	131,290	54,427	41%
	Environmental Operations						
50	ENVIRONMENTAL ANALYSIS	67	78	78	141	30	21%
51	POLLUTION PREVENTION AND ABATEMENT	2,907	3,719	3,636	3,592	1,491	42%
52	**Sub-Total**	2,973	3,797	3,714	3,733	1,521	41%
53	**Transmission Maintenance Sub-Total**	**128,284**	**125,607**	**135,202**	**135,023**	**55,948**	**41%**
	Transmission Engineering						
	System Development						
54	RESEARCH & DEVELOPMENT	6,994	6,117	6,663	4,993	2,506	50%
55	TSD PLANNING AND ANALYSIS	8,029	8,539	8,483	8,489	4,303	51%
56	CAPITAL TO EXPENSE TRANSFER	6,101	4,000	3,695	3,695	637	17%
57	REGULATORY & REGION ASSOC FEES	5,149	4,807	7,864	6,910	2,409	35%
58	ENVIRONMENTAL POLICY/PLANNING	1,333	1,778	1,778	1,772	696	39%
59	**Sub-Total**	27,605	25,240	28,483	25,860	10,550	41%
60	**Transmission Engineering Sub-Total**	**27,605**	**25,240**	**28,483**	**25,860**	**10,550**	**41%**
	Trans. Services Transmission Acquisition and Ancillary Services						
	BBL Acquisition and Ancillary Products and Services						
61	ANCILLARY SERVICES PAYMENTS	63,418	64,485	77,588	90,124	42,197	47%
62	OTHER PAYMENTS TO POWER SERVICES	11,884	11,884	8,719	8,719	4,487	51%
63	STATION SERVICES PAYMENTS	3,016	3,589	3,629	3,499	1,641	47%
64	**Sub-Total**	78,318	79,957	89,936	102,342	48,326	47%
	Non-BBL Acquisition and Ancillary Products and Services <Note 1						
65	LEASED FACILITIES	6,284	16,136	5,914	5,932	3,371	57%
66	GENERAL TRANSFER AGREEMENTS (settlement)		500	500	500		0%
67	NON-BBL ANCILLARY SERVICES	639	6,735	6,735	5,657	309	5%
68	**Sub-Total**	6,923	23,371	13,149	12,089	3,681	30%
69	**Trans. Srvcs. Acquisition and Ancillary Services Sub-Total**	**85,241**	**103,328**	**103,085**	**114,431**	**52,006**	**45%**
	Transmission Reimbursables						
	Reimbursables						
70	EXTERNAL REIMBURSABLE SERVICES	5,543	7,022	7,054	5,978	2,405	40%
71	INTERNAL REIMBURSABLE SERVICES	3,189	2,119	2,673	3,103	2,993	96%
72	**Sub-Total**	8,733	9,142	9,727	9,082	5,398	59%
73	**Transmission Reimbursables Sub-Total**	**8,733**	**9,142**	**9,727**	**9,082**	**5,398**	**59%**

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Report ID: 0061FY10 | **Transmission Services Detailed Statement of Revenues and Expenses** | Run Date/Time: April 23, 2010 06:55
Requesting BL: TRANSMISSION BUSINESS UNIT | Through the Month Ended March 31, 2010 | Data Source: EPM Data Warehouse
Unit of Measure: $ Thousands | Preliminary/ Unaudited | % of Year Lapsed = 50%

		A	B	C	D	E	F
		FY 2009	FY 2010			FY 2010	FY 2010
		Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
	BPA Internal Support						
74	Additional Post-Retirement Contribution	16,353	15,447	16,717	16,717	8,359	50%
75	Agency Services G & A (excludes direct project support)	46,753	48,937	49,017	48,958	23,305	48%
76	**BPA Internal Support Subtotal**	63,106	64,384	65,734	65,675	31,664	48%
	Other Income, Expenses, and Adjustments						
77	Bad Debt Expense	580			521	521	100%
78	Other Income, Expenses, Adjustments	(513)			1,455	1,455	100%
79	Undistributed Reduction		(10,000)	(2,000)			
80	**Non-Federal Debt Service** <Note 1						
81	**Depreciation**	173,582	187,987	183,050	181,000	88,824	49%
82	**Amortization** <Note 1	1,204	1,715	1,100	1,100	632	57%
83	**Total Operating Expenses**	$586,343	$627,802	$649,758	$652,838	$295,257	45%
84	**Net Operating Revenues (Expenses)**	$245,497	$235,937	$217,307	$223,400	$145,599	65%
	Interest Expense and (Income)						
85	Federal Appropriation	35,356	32,979	34,658	34,658	17,329	50%
86	Capitalization Adjustment	(18,968)	(18,968)	(18,968)	(18,968)	(9,484)	50%
87	Borrowings from US Treasury	77,134	91,570	78,599	78,013	37,880	49%
88	Debt Service Reassignment	55,971	56,781	56,781	56,781	28,390	50%
89	Customer Advances	8,085	16,100	8,000	7,400	3,811	52%
90	Lease Financing	17,369	16,714	21,600	21,369	10,340	48%
91	AFUDC	(21,373)	(16,501)	(21,300)	(25,700)	(12,428)	48%
92	Interest Income	(30,681)	(24,655)	(27,226)	(31,553)	(14,693)	47%
93	**Net Interest Expense (Income)**	122,892	154,020	132,144	122,000	61,146	50%
94	**Total Expenses**	$709,235	$781,822	$781,902	$774,838	$356,403	46%
95	**Net Revenues (Expenses)**	$122,605	$81,917	$85,163	$101,400	$84,453	83%

<1 Beginning in FY 2004, consolidated actuals reflect the inclusion of transactions associated with a Variable Interest Entity (VIES), which is in accordance with the FASB Interpretation No. 46 (FIN 46) that is effective as of December, 2003. VIES information is not included in rate case and budget data.

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1st Quarter Capital Report

Major Capital Projects[1] - End-of-Project Target Performance

Q1 2010

Project	Description	Direct Capital $M[2] Target	Direct Capital $M[2] Forecast	Direct Capital $M[2] Actual[3]	In-Service Date Target	In-Service Date Forecast
Transmission						
Lines - Steel Hardware Replacement (Spacer Damper Replacement Program FY08-12)	Replace all spring type double and triple bundle spacer-dampers on the 500 kV system.	$ 65.2	$ 65.2	$ 16.7	9/30/12	9/30/12
California - Oregon AC Intertie Addition Project	Upgrade California-Oregon AC Intertie to improve transfer capability, decrease congestion and improve stability.	$ 47.7	$ 47.7	$ 19.2	5/31/11	5/31/11
Spectrum Relocation (3G 1710-1755 MHz Project)	Vacate radio frequencies as required by P.L. 108-494.	$ 48.6	$ 43.8	$ 15.9	3/31/13	3/31/13
Land Acquisition and Rebuilds (Access Roads)	Includes 19 to 23 projects for road improvements in or near transmission corridors.	$ 15.5	$ 15.5	$ 9.1	9/30/10	9/30/10
Substations AC (500 kV Spare Transformer Project)	Acquire 5 spares and relocate 2 existing transformers that will be used as spares. The spares will be placed strategically across the system.	$ 33.6	$ 33.6	$ 3.4	9/30/11	9/30/11
FY10 - TEAP Fleet Equipment Replacement Program	Heavy duty and specialized vehicle replacement program for FY10, FY11 and part of FY12.	$ 29.6	$ 29.6	$ -	3/31/12	3/31/12
Lower Mid-Columbia 230 kV Project	Increase capacity between Vantage/Wanapum and Midway.	$ 11.5	$ 11.5	$ 0.1	5/1/11	5/1/11
Redmond 230 - 115 kV Transformer Addition	Install an additional transformer at the Redmond substation.	$ 12.0	$ 12.0	$ 0.2	11/1/11	11/1/11
#KC SONET Phase II Spur Healing	Complete the digital microwave and radio conversion in Oregon.	$ 18.0	$ 18.0	$ 0.5	10/1/12	10/1/12
#NC Analog Microwave Replacement	Complete the digital microwave and radio conversion in northwest Washington.	$ 13.6	$ 13.6	$ 0.0	9/1/13	9/1/13
Alvey Substation 500 kV Shunt Reactor	Add a 500 kV shunt reactor for voltage stabilization.	$ 10.9	$ 10.9	$ 0.1	4/30/12	4/12/12
West of McNary Reinforcement - Group 1	West of McNary reinforcement project - group 1	$ 246.5	$ 158.8	$ 38.2	12/31/12	2/1/12
NEPA - I-5 Corridor Reinforcement	Conduct NEPA study, preliminary engineering and design.	$ 14.0	$ 14.0	$ 1.9	9/30/12	9/30/12
NEPA - Big Eddy - Knight	Environmental study	$ 6.0	$ 6.0	$ 1.6	9/30/11	9/30/11
NEPA - Little Goose Reinforcement	Environmental study	$ 6.5	$ 6.5	$ 1.2	9/30/11	9/30/11
Condon Wind Voltage Control	Install ring bus, transformer bank and breaker to control voltage fluctuations on the DeMoss-Fossil-Maupin 69kV line.	$ 9.4	$ 9.4	$ 0.1	5/31/11	5/31/11
DC RAS Upgrade	Replace the DC RAS controllers at Celilo with upgraded units at the Ross and Munro control centers.	$ 11.8	$ 11.8	$ 0.2	11/30/12	11/30/13

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[1] Includes capital projects authorized at the agency level since August 2007

[2] Direct capital costs exclude AFUDC and overheads

[3] Actual costs are project costs to date.

[4] Contracts have not been awarded - cost estimates are confidential

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Major Capital Projects[1] - End-of-Project Target Performance

Q1 2010

Project	Description	Direct Capital $M[2] Target	Direct Capital $M[2] Forecast	Direct Capital $M[2] Actual[3]	In-Service Date Target	In-Service Date Forecast
Grand Coulee Replace Transformer Bank K10A	Replace all 3 phases of the G10 generator step-up transformer bank.	$ 9.6	$ 9.6	$ 1.2	4/30/11	12/31/10
Grand Coulee Exciter Replacement	Replace 6 original excitation units in Powerhouse 3.	NA [4]	NA [4]	$ 0.3	11/30/13	11/30/13
Grand Coulee Transformer Replacement (G19, G20)	Replace 2 banks (6 single phase transformers) in the third powerhouse, units G19 and G20.	$ 54.1	$ 29.5	$ 2.6	11/30/13	11/30/13
Chief Joseph Turbine Runner Replacement	Replace turbine runners on units 5 - 14 and study the replacement of runners on units 1 - 4, 15 and 16. Targets shown here are for the first phase. The total project cost is expected to be $114.6m.	$ 61.3	$ 55.0	$ 7.3	9/30/11	9/30/11
The Dalles Station Service Improvements	Install 2 new station service transformers and reconfigure existing units to a "base load" standby source.	$ 21.1	$ 21.1	$ 14.3	9/30/11	6/30/11
McNary Installation Banks T1-T2,T4-T5	Replace the four remaining original (50 year old) transformer banks.	$ 27.2	$ 18.4	$ 16.4	9/30/11	9/30/10
McNary Main Unit 1-4, 7-12 Stator Winding Replacement	Replace stator windings that are over 50 years old.	$ 80.0	$ 80.0	$ 1.0	12/31/14	12/31/14
Ice Harbor Turbine Runner Replacement	Replace the poor condition turbine runners in units 2 & 3 and incorporate a more fish-friendly design.	NA [4]	NA [4]	$ 2.2	7/30/15	7/30/15
John Day Powerhouse Bridge Crane Rehabilitation	Replace obsolete equipment on and provide improvements to the two 375 ton Ederer bridge cranes.	$ 8.9	$ 7.8	$ 1.4	9/30/11	9/30/11
Hills Creek Powerhouse Turbine and Unit Rehabilitation	Replace turbine runners and generator windings on units 1 and 2 at Hills Creek.	NA [4]	NA [4]	$ 0.8	8/12/14	8/12/14
Bonneville PH1 Tailrace Gantry Crane Replacement	Replace the Bonneville Powerhouse 1 tailrace gantry crane and crane rails.	NA [4]	NA [4]	$ 2.4	9/30/11	9/30/11
Black Canyon Third Generating Unit	Add a third generating unit at Black Canyon. The capacity of the unit will be between 10 and 15 MW.	NA [4]	NA [4]	$ 0.1	12/31/14	12/31/14
Grand Coulee Left Powerhouse Transformer Replacement	Replace transformer banks K1, K5, K7, K8 and purchase one spare transformer bank.	NA [4]	NA [4]	$ 0.1	10/31/14	10/31/14
IT						
RODS Replacement Project	Develop, build and deploy hardware and software to replace the current RODS functionality.	$ 20.1	$ 20.1	$ 1.9	9/30/12	9/30/12
Data Center Modernization	Modernize system hardware, software, and support tools for the data centers at Headquarters, Ross and Munro	$ 13.4	$ 14.8	$ 1.2	4/28/12	4/28/12
Data Storage Modernization	Implement a new data storage architecture and replace existing storage hardware components, while adding software applications for system monitoring, alerting and capacity planning.	$ 13.4	$ 15.6	$ 0.4	9/30/12	9/30/12

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