

CFO APPROVED

Federal Columbia River Power System

Data Source: EPM Data Warehouse

Report ID: CC_0020

Statement of Revenues and Expenses - Customer Collaborative

Run Date: September 16, 2004

Requesting BL: CORPT

Through the Month Ended August 31, 2004 as of August 31, 2004

Run Time: 16:40

Unit of measure: \$ Thousands

Preliminary/ Unaudited

% of Year Lapsed = 92%

| | A | B <Note 3 | C | D | E |
|--|------------------|-------------------------------|-------------------------|--------------------|--------------------|
| | Actuals: FY 2003 | PBL & TBL Rate Cases: FY 2004 | Forecast: Qtr 3 FY 2004 | Actuals: FYTD 2004 | Actuals: FYTD 2003 |
| Operating Revenues | | | | | |
| 1 Sales <Note 1 | 3,328,277 | 3,365,554 | 3,227,786 | 2,709,381 | 3,102,291 |
| 2 Miscellaneous Revenues | 49,077 | 47,983 | 56,023 | 45,153 | 40,394 |
| 3 Derivatives - Mark to Market Gain (Loss) <Note 2 | 55,265 | | 113,809 | 69,567 | 69,933 |
| 4 U.S. Treasury Credits | 179,484 | 81,675 | 84,977 | 77,171 | 139,305 |
| 5 Total Operating Revenues | 3,612,104 | 3,495,212 | 3,482,595 | 2,901,272 | 3,351,923 |
| Operating Expenses | | | | | |
| Power System Generation Resources | | | | | |
| Operating Generation Resources | | | | | |
| 6 Columbia Generating Station | 205,153 | 216,900 | 221,800 | 200,699 | 188,754 |
| 7 Bureau of Reclamation | 54,041 | 61,300 | 58,219 | 53,595 | 46,413 |
| 8 Corps of Engineers | 129,383 | 140,500 | 138,551 | 126,597 | 109,174 |
| 9 Long-term Generating Projects | 26,105 | 31,346 | 27,832 | 21,345 | 21,738 |
| 10 Operating Generation Settlement Payment | 16,709 | 17,000 | 16,838 | 15,567 | 15,438 |
| 11 Non-Operating Generation | 9,136 | 12,200 | 1,458 | 3,596 | 8,122 |
| 12 Contracted Power Purchases and Augmentation Power Purchases <Note 1 | 1,007,997 | 692,886 | 743,155 | 500,460 | 935,613 |
| 13 Residential Exchange/IOU Settlement Benefits | 143,967 | 143,802 | 125,915 | 116,162 | 131,987 |
| 14 Renewable and Conservation Generation, including C&RD | 83,059 | 89,724 | 87,725 | 74,629 | 71,991 |
| 15 Subtotal Power System Generation Resources | 1,675,550 | 1,405,658 | 1,421,493 | 1,112,650 | 1,529,230 |
| 16 PBL Transmission Acquisition and Ancillary Services | 47,648 | 49,000 | 48,001 | 30,956 | 35,611 |
| 17 PBL Non-Generation Operations | 62,649 | 66,629 | 60,477 | 50,575 | 53,552 |
| 18 TBL Transmission Acquisition and Ancillary Services | 5,617 | 8,321 | 6,610 | 4,843 | 5,184 |
| 19 Transmission Operations | 76,519 | 96,312 | 84,817 | 75,078 | 67,622 |
| 20 Transmission Engineering | 13,424 | 20,533 | 18,253 | 17,396 | 10,811 |
| 21 Transmission Maintenance | 78,257 | 84,491 | 77,770 | 69,227 | 68,522 |
| 22 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements General and Administrative/Shared Services | 169,918 | 163,445 | 174,499 | 122,760 | 120,116 |
| 23 CSRS | 35,100 | 30,950 | 30,950 | 28,325 | 32,175 |
| 24 Corporate Support (G&A and Shared Services) / TBL Supply Chain | 83,987 | 100,728 | 88,656 | 74,381 | 76,684 |
| 25 Other Income, Expenses & Adjustments | (7,140) | | 43 | (557) | (8,348) |
| 26 Non-Federal Debt Service | 119,534 | 584,819 | 246,736 | 219,534 | 81,102 |
| 27 Depreciation & Amortization | 350,025 | 355,655 | 365,694 | 329,530 | 319,610 |
| 28 Total Operating Expenses | 2,711,089 | 2,966,540 | 2,623,998 | 2,134,699 | 2,391,872 |
| 29 Net Operating Revenues (Expenses) | 901,015 | 528,673 | 858,597 | 766,574 | 960,051 |
| Interest Expense | | | | | |
| 30 Interest on Federal Investment | 378,989 | 408,438 | 318,598 | 290,024 | 333,429 |
| 31 VIES Interest | | | | (82) | |
| 32 AFUDC | (33,398) | (24,493) | (33,185) | (27,736) | (27,870) |
| 33 Net Interest Expense | 345,591 | 383,945 | 285,413 | 262,206 | 305,560 |
| 34 Net Revenues (Expenses) from Continuing Operations | 555,424 | 144,728 | 573,184 | 504,368 | 654,492 |
| 35 Net Revenues (Expenses) | \$555,424 | \$144,728 | \$573,184 | \$504,368 | \$654,492 |

<1 FY 2004 current Period & FYTD Actuals for Power Sales & Contracted Power Purchases are affected by the change in accounting for power "bookout" transactions after adoption

of new accounting guidance, EITF 03-11, effective as of Oct 1, 2003. The change in accounting for power "bookout" transactions was not applied to the Rate Case, and the Forecast.

<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 PBL Rate Case amounts are from the final SNCRAC ROD data that was presented at the August 28th, 2003 Customer Workshop, which did not include any results from debt refinancing.

The TBL groupings of expenses by programs and sub-programs for FY 2004 estimates, developed as part of the 2004 Rate Case, have been reconstituted to match the groupings shown on this report.

<4 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.

CFO APPROVED**PBL Statement of Revenues and Expenses - Customer Collaborative**

Report ID: CC_0021

Data Source: EPM Data Warehouse

Requesting BL: POWER

Through the Month Ended August 31, 2004 as of August 31, 2004

Run Date/Time: September 16, 2004 16:16

Unit of measure: \$ Thousands

Preliminary/ Unaudited

% of Year Lapsed = 92%

| | A | B <Note 3 | C <Note 4 | D | E |
|--|------------------|-----------------------------------|-------------------------|--------------------|--------------------|
| | Actuals: FY 2003 | SNCRAC Aug 2003 Forecast: FY 2004 | Forecast: Qtr 3 FY 2004 | Actuals: FYTD 2004 | Actuals: FYTD 2003 |
| Operating Revenues | | | | | |
| 1 Sales <Note 1 | 2,806,781 | 2,812,175 | 2,730,360 | 2,247,388 | 2,619,231 |
| 2 Miscellaneous Revenues | 17,856 | 15,670 | 19,008 | 16,462 | 14,953 |
| 3 Inter-Business Unit | 85,425 | 80,326 | 76,126 | 71,678 | 75,624 |
| 4 Derivatives - Mark to Market Gain (Loss) <Note 2 | 55,265 | | 113,809 | 69,567 | 69,933 |
| 5 U.S. Treasury Credits | 179,484 | 81,675 | 84,977 | 77,171 | 139,305 |
| 6 Total Operating Revenues | 3,144,811 | 2,989,847 | 3,024,280 | 2,482,266 | 2,919,045 |
| Operating Expenses | | | | | |
| Power System Generation Resources | | | | | |
| Operating Generation Resources | | | | | |
| 7 Columbia Generating Station | 205,153 | 216,900 | 221,800 | 200,699 | 188,754 |
| 8 Bureau of Reclamation | 54,041 | 61,300 | 58,219 | 53,595 | 46,413 |
| 9 Corps of Engineers | 129,383 | 140,500 | 138,551 | 126,597 | 109,174 |
| 10 Long-term Generating Projects | 26,105 | 31,346 | 27,832 | 21,345 | 21,738 |
| 11 Operating Generation Settlement Payment | 16,709 | 17,000 | 16,838 | 15,567 | 15,438 |
| 12 Non-Operating Generation | 9,136 | 12,200 | 1,458 | 3,598 | 8,122 |
| 13 Contracted Power Purchases and Augmentation Power Purchases <Note 1 | 1,007,997 | 692,886 | 743,155 | 500,460 | 935,613 |
| 14 Residential Exchange/IOU Settlement Benefits | 143,967 | 143,802 | 125,915 | 116,162 | 131,987 |
| 15 Renewable and Conservation Generation, including C&RD | 83,171 | 89,724 | 87,725 | 74,660 | 72,069 |
| 16 Subtotal Power System Generation Resources | 1,675,661 | 1,405,658 | 1,421,493 | 1,112,683 | 1,529,308 |
| 17 PBL Transmission Acquisition and Ancillary Services | 156,882 | 190,000 | 160,850 | 128,672 | 135,412 |
| 18 Power Non-Generation Operations | 63,035 | 67,268 | 60,477 | 50,968 | 53,790 |
| 19 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements | 170,289 | 163,700 | 174,499 | 122,927 | 120,370 |
| General and Administrative/Shared Services | | | | | |
| 20 CSRS | 17,550 | 15,500 | 15,500 | 14,163 | 16,088 |
| 21 Corporate Support - G&A and Shared Services; TBL Support - Supply Chain | 34,365 | 39,230 | 39,056 | 32,634 | 31,216 |
| 22 Other Income, Expenses & Adjustments | (6,192) | | 43 | 68 | (5,733) |
| 23 Non-Federal Debt Service | 434,734 | 584,819 | 433,285 | 386,927 | 277,991 |
| 24 Depreciation & Amortization | 178,896 | 176,842 | 177,574 | 160,658 | 163,464 |
| 25 Total Operating Expenses | 2,725,220 | 2,643,017 | 2,482,777 | 2,009,698 | 2,321,904 |
| 26 Net Operating Revenues (Expenses) | 419,591 | 346,830 | 541,503 | 472,568 | 597,141 |
| Interest Expense | | | | | |
| 27 Interest | 192,521 | 217,785 | 170,779 | 157,264 | 178,483 |
| 28 AFUDC | (15,926) | | (10,000) | (8,674) | (11,866) |
| 29 Net Interest Expense | 176,595 | 217,785 | 160,779 | 148,590 | 166,617 |
| 30 Net Revenues (Expenses) from Continuing Operations | 242,996 | 129,045 | 380,724 | 323,978 | 430,524 |
| 31 Net Revenues (Expenses) | \$242,996 | \$129,045 | \$380,724 | \$323,978 | \$430,524 |

<1 FY 2004 current Period & FYTD Actuals for Power Sales & Contracted Power Purchases are affected by the change in accounting for power "bookout" transactions after adoption of new accounting guidance, EITF 03-11, effective as of Oct 1, 2003. The change in accounting for power "bookout" transactions was not applied to the Rate Case, and the Forecast.

<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 PBL Rate Case amounts are from the final SNCRAC ROD data that was presented at the August 28th, 2003 Customer Workshop, which did not include any results from debt refinancing.

<4 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.

CFO APPROVED

Report ID: CC_0022

Requesting BL: CORPT

Unit of measure: \$ Thousands

Federal Columbia River Power System
Schedule of Net Revenue (Expense) to Modified Net Revenue - Customer Collaborative
 Through the Month Ended August 31, 2004
 Preliminary/ Unaudited

Data Source: EPM Data Warehouse

Run Date: September 16,2004

Run Time: 16:22

| | A | B | C | D | E | F <Note 7 |
|--|--|------------------|------------------|------------------|--------------------|-----------------------|
| | Actuals: FY 2000 | Actuals: FY 2001 | Actuals: FY 2002 | Actuals: FY 2003 | Rate Case: FY 2004 | Forecast: QTR FY 2004 |
| Power Business Line (PBL) | | | | | | |
| 1 PBL Net Revenue (Expense) <Note 1 | 252,130 | (380,538) | (87,421) | 242,996 | 129,045 | 380,724 |
| PBL Modified Net Revenue Adjustments: | | | | | | |
| 2 SFAS 133 Adjustments (MTM) <Notes 1, 2 | | (120,614) | 38,354 | 55,265 | | 113,809 |
| 3 ENW Debt Adjustments | (81,677) | (157,853) | (264,697) | (148,085) | | (146,796) |
| 4 PBL Modified Net Revenue Adjustments <Note 3 | (81,677) | (37,239) | (303,051) | (203,350) | | (260,605) |
| 5 PBL Modified Net Revenue <Note 4 | 170,453 | (417,778) | (390,472) | 39,646 | 129,045 | 120,119 |
| 6 PBL Accumulated Net Revenue (GRSP Defined) <Note 5 | 170,453 | (247,325) | (637,797) | (598,151) | (469,106) | (478,032) |
| 7 FBCRAC Threshold Amount <Note 6 | -- | (386,000) | (408,000) | (378,000) | (264,000) | (264,000) |
| 8 | MNR Improvements Required to not trigger FBCRAC | | | | | 214,032 |
| # FCRPS Modified Net Revenue <Note 8 | 159,300 | (374,640) | (346,387) | 36,874 | 144,728 | 110,530 |

<1 Includes \$168,491k unrealized loss due to the Cumulative Effect of Change in Accounting Principle for SFAS 133, which was posted to FY 2001. This amount is excluded when calculating the MNR.

Prior report releases and presentations reported the net effect of this change, resulting in previously reported amounts of \$(212,043.18)k for PBL Net Revenue (Expense), and \$(205,730.03) for PBL MNR Adjustment.

<2 Revenue Adjustments reflect impacts from SFAS 133 that are subtracted from net revenue, while ENW Debt Service adjustments reduce MNR if rate case amounts exceed actual ENW Debt Services expenses.

<3 Consistent with the GRSP's, the Modified Net Revenue (MNR) is an adjustment to Net Revenues for the purpose of calculating the rate case Financial and Safety-net Cost Recovery Adjustment Clause.

The MNR excludes the impact of SFAS 133 transactions (Accounting for Derivative Instruments and Hedging Activities); for Debt Service, the MNR excludes actual ENW debt service and substitutes the Energy Northwest debt service expenses as forecasted in the WP-02 Final Studies.

<4 FYTD PBL MNR equals \$109 million and FYTD FCRPS MNR equals \$122 million.

<5 The GRSP's definition of the Accumulated Net Revenue (ANR) differs from the accounting standard definition of ANR. The GRSP's defined ANR is used in determining the FBCRAC rates; the GRSP's ANR represents the accounting standard Accumulated Net Revenue (starting 09/30/99) less the accumulated effects of FAS 133 and ENW debt refinancing activities (see note 1).

<6 In accordance with the GRSP's, the FBCRAC thresholds were established to provide an upward adjustment to rates to address declining financial circumstances.

The thresholds are established as a benchmark in which to evaluate the financial condition. The FBCRAC thresholds for the ends of FY 2003 - 2005 are reset to equal the SNCRAC thresholds each time the SNCRAC thresholds are recalculated. [SN-03-A-02]

<7 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.

This report is not an absolute prediction of future revenues or costs, nor does it reflect the actual ANR for the end of the fiscal year, (unless otherwise indicated.)

This report should not be used for investment purposes, nor is it a guarantee that the actual ANR will be achieved as forecasted.

<8 Because the FCRPS MNR excludes actual ENW debt service amounts and substitutes the Energy Northwest debt service expenses as forecasted in the WP-02 Final Studies, the FCRPS MNR removes the effect of debt refinancing from BPA's annual financial activities.

CFO APPROVED**TBL Statement of Revenues and Expenses - Customer Collaborative**

Report ID: CC_0023

Through the Month Ended August 31, 2004 as of August 31, 2004

Data Source: EPM Data Warehouse

Requesting BL: TRANS

Run Date/Time: September 16, 2004/ 16:17

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Lapsed = 92%

| | A | B | C | D | E |
|---|---------------------|-------------------------------|--|-----------------------|-----------------------|
| | Actuals: FY 2003 | Rate Case: FY 2004 <Note 1 | Forecast: Quarter3 FY 2004 <Note 2 | Actuals: FYTD 2004 | Actuals: FYTD 2003 |
| Operating Revenues | | | | | |
| 1 Sales | 521,496 | 553,379 | 497,426 | 461,993 | 483,060 |
| 2 Miscellaneous Revenues | 31,221 | 32,313 | 37,015 | 28,692 | 25,442 |
| 3 Inter-Business Unit Revenues | 110,884 | 138,324 | 113,125 | 98,384 | 100,826 |
| 4 Total Operating Revenues | 663,601 | 724,016 | 647,567 | 589,069 | 609,328 |
| Operating Expenses | | | | | |
| 5 TBL Transmission Acquisition and Ancillary Services | 91,013 | 88,623 | 83,410 | 76,122 | 81,061 |
| 6 Transmission Operations | 76,840 | 96,312 | 84,817 | 75,078 | 67,722 |
| 7 Transmission Engineering | 13,495 | 20,533 | 18,253 | 17,796 | 10,822 |
| 8 Transmission Maintenance | 78,257 | 84,491 | 77,770 | 69,227 | 68,522 |
| General and Administrative/Shared Services | | | | | |
| 9 CSRS | 17,550 | 15,450 | 15,450 | 14,163 | 16,088 |
| 10 Corporate Support - G&A and Shared Services/TBL Support - Supply Chain | 49,920 | 61,498 | 49,600 | 41,747 | 45,468 |
| 11 Other Income, Expenses & Adjustments | (828) | | | 431 | (312) |
| 12 Depreciation & Amortization | 171,130 | 178,813 | 188,120 | 168,872 | 156,146 |
| 13 Total Operating Expenses | 497,378 | 545,720 | 517,420 | 463,436 | 445,516 |
| 14 Net Operating Revenues (Expenses) | 166,224 | 178,296 | 130,147 | 125,633 | 163,812 |
| Interest Expense | | | | | |
| 15 Interest on Federal Investment | 186,468 | 190,653 | 163,319 | 146,972 | 154,946 |
| 16 VIES Interest | | | | (82) | |
| 17 AFUDC | (17,472) | (24,493) | (23,100) | (18,944) | (15,786) |
| 18 Net Interest Expense | 168,996 | 166,160 | 140,219 | 127,945 | 139,160 |
| 19 Net Revenues (Expenses) from Continuing Operations | (2,772) | 12,136 | (10,072) | (2,312) | 24,652 |
| 20 Net Revenues (Expenses) | (\$2,772) | \$12,136 | (\$10,072) | (\$2,312) | \$24,652 |

<1 The TBL groupings of expenses by programs and sub-programs for FY 2004 estimates, developed as part of the 2004 Rate Case, are reconstituted to match the programs and sub-programs groupings shown on this report.

<2 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.

CFO APPROVED**Corporate Business Unit**

Report ID: MCF0004

Statement of Revenues and Expenses

Data Source: EPM Data Warehouse

Requesting BL: POWER

Through the Month Ended August 31, 2004 as of August 31, 2004

Run Date/Time: September 16, 2004 16:29

Unit of measure: \$ Thousands

Preliminary Unaudited/For Internal Use Only

% of Year Lapsed = 92%

| | A | B <Note 1 | C | D | E |
|--|---------------------|------------------------------------|----------------------------|-----------------------|-----------------------|
| | Actuals: FY 2003 | PBL & TBL Rate Case: FY 2004 | Forecast: Qtr 3 FY 2004 | Actuals: FYTD 2004 | Actuals: FYTD 2003 |
| Operating Revenues | | | | | |
| 1 Sales | | | | | |
| 2 Miscellaneous Revenues | | | | | |
| 3 Inter-Business Unit | | | | | |
| 4 Derivatives - Mark to Market Gain (Loss) | | | | | |
| 5 U.S. Treasury Credits | | | | | |
| 6 Total Operating Revenues | | | | | |
| Operating Expenses | | | | | |
| Power System Generation Resources | | | | | |
| Operating Generation Resources | | | | | |
| 7 Columbia Generating Station | | | | | |
| 8 Bureau of Reclamation | | | | | |
| 9 Corps of Engineers | | | | | |
| 10 Long-term Generating Projects | | | | | |
| 11 Operating Generation Settlement Payment | | | | | |
| 12 Non-Operating Generation | | | | | |
| 13 Contracted Power Purchases and Augmentation Power Purchases | | | | | |
| 14 Residential Exchange/IOU Settlement Benefits | | | | | |
| 15 Renewable and Conservation Generation, including C&RD | | | | | |
| 16 Subtotal Power System Generation Resources | | | | | |
| 17 PBL Transmission Acquisition and Ancillary Services | | | | | |
| 18 Power Non-Generation Operations | | | | | |
| 19 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements | | | | | |
| General and Administrative/Shared Services | | | | | |
| 20 CSRS | | | | | |
| 21 Corporate Support - G&A and Shared Services; TBL Support - Supply Chain | | | | | |
| 22 Other Income, Expenses & Adjustments <Note 2 | | | | (980) | (2,210) |
| 23 Non-Federal Debt Service <Note 3 | (315,200) | | (186,549) | (167,393) | (196,889) |
| 24 Depreciation & Amortization | | | | | |
| 25 Total Operating Expenses | (315,200) | | (186,549) | (168,373) | (199,098) |
| 26 Net Operating Revenues (Expenses) | 315,200 | | 186,549 | 168,373 | 199,098 |
| Interest Expense | | | | | |
| 27 Interest <Note 4 | | | (15,500) | (14,211) | |
| 28 AFUDC | | | (85) | (118) | (217) |
| 29 Net Interest Expense | | | (15,585) | (14,329) | (217) |
| 30 Net Revenues (Expenses) from Continuing Operations | 315,200 | | 202,134 | 182,702 | 199,315 |
| 31 Net Revenues (Expenses) | \$315,200 | \$ | \$202,134 | \$182,702 | \$199,315 |

<1 Corporate BL is not separately identified in the Rate Cases.

<2 Balances may be due to under/(over) clearing of Corporate expenses.

<3 Corporate Non-Federal Debt Service represents transactions related to Energy Northwest Debt Reassignment.

<4 Corporate Interest reflects the reassignment of Energy Northwest Debt transactions for interest paid by the Transmission business line for use of Debt Reassignment proceeds.



Customer Collaborative Meeting

Financial Overview through August 31, 2004

- With the exception of Power Purchases, actual expenditures through August 31st are on track to achieve the reductions through the Sounding Board process as identified in the 3rd Quarter Review.
- Actual revenues through August 31st are on track with the 3rd Quarter Review expectations except that as a result of failure to reduce summer spill and the loss of CGS, revenue is expected to under run 3rd Quarter expectations.
- BPA announced that the Power Business Line is reducing its average wholesale five-year preference power rate for FY 2005 by 7.5 percent compared to average FY 2004 rates effective October 1, 2004.