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U.S. taxpayers earn \$402.6 million on investment in Northwest hydro

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Bonneville Power Administration

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PORTLAND, Ore. – U.S. taxpayers realized \$402.6 million in interest this year on their investment in federal dams on the Columbia and Snake rivers. It's part of the payment BPA makes each year to the U.S. Department of Treasury. To date, BPA has repaid the U.S. Treasury over \$4 billion, reducing BPA's total debt now owned to the Treasury to \$7 billion.

"Thanks to Northwest electricity ratepayers, the American taxpayer is getting repaid on time, with interest, at higher-than-current market rates for Treasury borrowing. Not only are Northwest electricity rates the lowest in the nation, but they are not subsidized by taxpayers. Whatever money has been borrowed from the U.S. Treasury is repaid with interest," said BPA Administrator Judi Johansen.

In addition to the interest payment, BPA's fiscal year 2000 check to the Treasury included \$316 million paid on the principal and \$13.3 million paid for operations and maintenance and fish and wildlife projects. For the second year, BPA also provided \$150 million in direct funding for the entire operations and maintenance at the U.S. Army Corps of Engineers and the Bureau of Reclamation facilities in the Pacific Northwest. In the past, Congress appropriated the money and BPA reimbursed the Treasury at the end of the year. BPA also paid \$5 million in U.S. Treasury bond premiums. The total payment to the Treasury was \$732 million.

Prompt payment to the Treasury is the best indicator of BPA's overall financial health. Unlike many federal agencies, BPA is not financed by government appropriations. It must cover its costs through sales of electricity and transmission services in the market place. The Treasury payment is made only after BPA has met all other financial obligations.

In addition to funding operations, maintenance and construction, BPA revenues are among the major sources of funding for the Northwest's conservation programs and fish and wildlife protection efforts.

As a federal agency under the U.S. Department of Energy, BPA provides about half of the electrical power and more than three-quarters of the high-voltage transmission service in the Pacific Northwest. BPA markets wholesale power to more than 130 utilities in Washington, Oregon, Idaho and Montana and some aluminum companies. The low-cost power comes from the region's 29 federal hydroelectric dams, which are operated by the U.S. Army Corps of Engineers and the Bureau of Reclamation. BPA

also sells the power produced by the region's only operating nuclear plant, the Columbia Generating Station at Hanford, Wash.

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