



# Customer Collaborative March Meeting

## Financial Overview through January 31, 2005

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- Based on our review of January 2005 results, actuals to date remain generally on course with the 1<sup>st</sup> Quarter Forecast and the Start of Year (SOY) budgets. There continues to be a large amount of uncertainty in the hydro conditions and the natural gas market at this point in time.
  - Precipitation for October through January has lagged from the assumptions used for the SOY budget for those months. While actual precipitation was lower through January, power prices have compensated for the decline in the expected supply.

**MONTHLY FINAL**

## Federal Columbia River Power System

Data Source: EPM Data Warehouse

Report ID: CC\_0020

## Statement of Revenues and Expenses - Customer Collaborative

Run Date: February 18,2005

Requesting BL: CORPT

Through the Month Ended January 31, 2005 as of January 31, 2005

Run Time: 00:15

Unit of measure: \$ Thousands

Preliminary/ Unaudited

% of Year Lapsed = 33%

	A	B <Note 3	C <Note 4	D	E
	Actuals: FY 2004	Target SOY: FY 2005	Forecast: Qtr 1 FY 2005	Actuals: FYTD 2005	Actuals: FYTD 2004
<b>Operating Revenues</b>					
1 Gross Sales (excluding bookout adjustment) <Note 1	3,185,651	3,099,412	3,108,653	1,114,469	1,125,032
2 Bookout adjustment to Sales <Note 1	(212,155)			(69,372)	
3 Miscellaneous Revenues	53,364	58,620	46,004	14,568	16,445
4 Derivatives - Mark to Market Gain (Loss) <Note 2	89,452		(8,826)	(44,131)	(2,275)
5 U.S. Treasury Credits	81,600	83,655	83,655	26,365	26,365
6 <b>Total Operating Revenues</b>	<b>3,197,911</b>	<b>3,241,687</b>	<b>3,229,486</b>	<b>1,041,899</b>	<b>1,165,567</b>
<b>Operating Expenses</b>					
Power System Generation Resources					
Operating Generation Resources					
7 Columbia Generating Station	222,115	243,835	243,835	85,601	66,011
8 Bureau of Reclamation	59,599	63,700	63,700	18,416	19,324
9 Corps of Engineers	137,139	144,500	144,500	36,212	36,583
10 Long-term Contract Generating Projects	24,560	29,580	29,580	7,594	5,410
11 Operating Generation Settlement Payment	16,838	17,000	17,800	5,084	5,084
12 Non-Operating Generation	4,578	8,000	5,300	3,169	(2,877)
13 Gross Contracted Power Purchases and Augmentation Power Purchases (excluding bookout adj.) <Note 1	758,163	609,261	609,261	240,353	265,122
14 Bookout Adjustment to Power Purchases <Note 1	(212,155)			(69,372)	
15 Residential Exchange/IOU Settlement Benefits	125,915	144,418	144,418	47,678	42,182
16 Renewable and Conservation Generation, including C&RD	82,551	92,307	92,307	24,076	28,184
17 <b>Subtotal Power System Generation Resources</b>	<b>1,219,303</b>	<b>1,352,602</b>	<b>1,350,701</b>	<b>398,810</b>	<b>465,023</b>
PBL Transmission Acquisition and Ancillary Services	43,624	51,600	49,150	10,098	7,149
19 PBL Non-Generation Operations	57,418	52,048	52,519	14,671	15,535
20 Transmission Operations	83,945	77,893	77,939	22,295	24,468
21 Transmission Maintenance	77,475	83,218	83,218	24,076	22,858
22 Transmission Engineering	19,271	9,099	9,099	3,052	150
23 TBL Transmission Acquisition and Ancillary Services <Note 5	3,895	13,490	14,490	2,384	2,278
24 Transmission Reimbursables	8,352	9,645	10,000	3,649	2,027
25 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	170,320	172,649	173,036	30,033	20,244
General and Administrative/Shared Services					
26 CSRS	30,900	26,500	26,500	8,833	10,300
27 Corporate Support (G&A and Shared Services) / TBL Supply Chain	84,158	118,207	118,207	32,751	27,064
28 Other Income, Expenses & Adjustments	(4,731)	(980)	(980)	(478)	(3,511)
29 Non-Federal Debt Service <Note 5	248,475	387,047	386,979	111,380	85,311
30 Depreciation & Amortization <Note 5	366,239	368,351	370,237	121,216	118,763
31 <b>Total Operating Expenses</b>	<b>2,408,646</b>	<b>2,721,368</b>	<b>2,721,094</b>	<b>782,770</b>	<b>797,658</b>
<b>Net Operating Revenues (Expenses)</b>	<b>789,266</b>	<b>520,319</b>	<b>508,392</b>	<b>259,129</b>	<b>367,910</b>
<b>Interest Expense</b>					
33 Interest	323,291	320,371	301,015	103,875	113,604
34 AFUDC	(38,441)	(26,855)	(29,320)	(8,368)	(10,652)
35 <b>Net Interest Expense</b>	<b>284,850</b>	<b>293,516</b>	<b>271,695</b>	<b>95,507</b>	<b>102,952</b>
<b>Net Revenues (Expenses) from Continuing Operations</b>	<b>504,415</b>	<b>226,803</b>	<b>236,697</b>	<b>163,622</b>	<b>264,958</b>
<b>Net Revenues (Expenses)</b>	<b>\$504,415</b>	<b>\$226,803</b>	<b>\$236,697</b>	<b>\$163,622</b>	<b>\$264,958</b>

<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 The Start-of-Year (SOY) budget reflects the power rates decisions made in September 2004 for FY05 and includes transmission data that is consistent with the data presented in the Programs-in-Review (PIR) process.

<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.

<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, budget and forecast data.

This information has been made publicly available by BPA on March 02, 2005.

**MONTHLY FINAL****Power Business Line**

Report ID: CC\_0021

**Statement of Revenues and Expenses - Customer Collaborative**

Data Source: EPM Data Warehouse

Requesting BL: POWER

Through the Month Ended January 31, 2005 as of January 31, 2005

Run Date/Time: February 18, 2005 00:21

Unit of measure: \$ Thousands

Preliminary/ Unaudited

% of Year Lapsed = 33%

	A	B <Note 3	C <Note 4	D	E	
	Actuals: FY 2004	Target SOY: FY 2005	Forecast: Qtr 1 FY 2005	Actuals: FYTD 2005	Actuals: FYTD 2004	
<b>Operating Revenues</b>						
1	Gross Sales (excluding bookout adjustment) <Note 1	2,682,584	2,597,951	2,594,575	945,984	949,932
2	Bookout adjustment to Sales <Note 1	(212,155)			(69,372)	
3	Miscellaneous Revenues	20,495	15,768	15,768	7,709	6,969
4	Inter-Business Unit	76,923	69,648	69,648	26,389	26,005
5	Derivatives - Mark to Market Gain (Loss) <Note 2	89,452		(8,826)	(44,131)	(2,275)
6	U.S. Treasury Credits	81,600	83,655	83,655	26,365	26,365
7	<b>Total Operating Revenues</b>	<b>2,738,898</b>	<b>2,767,023</b>	<b>2,754,821</b>	<b>892,945</b>	<b>1,006,997</b>
<b>Operating Expenses</b>						
Power System Generation Resources						
Operating Generation Resources						
8	Columbia Generating Station	222,115	243,835	243,835	85,601	66,011
9	Bureau of Reclamation	59,599	63,700	63,700	18,416	19,324
10	Corps of Engineers	137,139	144,500	144,500	36,212	36,583
11	Long-term Contract Generating Projects	24,560	29,580	29,580	7,594	5,410
12	Operating Generation Settlement Payment	16,838	17,000	17,800	5,084	5,084
13	Non-Operating Generation	4,579	8,000	5,300	3,169	(2,877)
14	Gross Contracted Power Purchases and Aug Power Purchases (excluding bookout adj.) <Note 1	758,163	609,261	609,261	240,353	265,122
15	Bookout Adjustment to Power Purchases <Note 1	(212,155)			(69,372)	
16	Residential Exchange/IOU Settlement Benefits	125,915	144,418	144,418	47,678	42,182
17	Renewable and Conservation Generation, including C&RD	82,599	92,307	92,307	24,078	28,184
18	<b>Subtotal Power System Generation Resources</b>	<b>1,219,353</b>	<b>1,352,602</b>	<b>1,350,701</b>	<b>398,812</b>	<b>465,023</b>
17	PBL Transmission Acquisition and Ancillary Services	149,986	171,400	170,950	42,304	40,657
18	Power Non-Generation Operations	58,579	52,519	52,519	14,688	15,553
19	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	170,569	173,036	173,036	30,039	20,254
General and Administrative/Shared Services						
20	CSRS	15,450	13,250	13,250	4,417	5,150
21	Corporate Support - G&A and Shared Services; TBL Support - Supply Chain	37,365	53,679	53,679	14,559	11,780
22	Other Income, Expenses & Adjustments	(629)			(62)	(38)
23	Non-Federal Debt Service	429,142	512,503	512,503	165,993	144,171
24	Depreciation & Amortization	177,297	179,201	177,737	58,417	58,102
25	<b>Total Operating Expenses</b>	<b>2,257,111</b>	<b>2,508,190</b>	<b>2,504,375</b>	<b>729,167</b>	<b>760,652</b>
26	<b>Net Operating Revenues (Expenses)</b>	<b>481,787</b>	<b>258,832</b>	<b>250,446</b>	<b>163,778</b>	<b>246,344</b>
<b>Interest Expense</b>						
27	Interest	180,444	186,999	177,273	61,737	61,553
28	AFUDC	(17,913)	(9,320)	(9,320)	(2,936)	(3,852)
29	<b>Net Interest Expense</b>	<b>162,531</b>	<b>177,679</b>	<b>167,953</b>	<b>58,801</b>	<b>57,701</b>
30	<b>Net Revenues (Expenses) from Continuing Operations</b>	<b>319,256</b>	<b>81,153</b>	<b>82,492</b>	<b>104,977</b>	<b>188,644</b>
31	<b>Net Revenues (Expenses)</b>	<b>\$319,256</b>	<b>\$81,153</b>	<b>\$82,492</b>	<b>\$104,977</b>	<b>\$188,644</b>

<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 The Start-of-Year (SOY) budget reflects the power rates decisions made in September 2004 for FY05.

<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.

This information has been made publicly available by BPA on March 02, 2005.

**MONTHLY FINAL**

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 January 31, 2005 as of January 31, 2005  
 Preliminary/ Unaudited

Data Source: EPM Data Warehouse  
 Run Date: February 18,2005  
 Run Time: 00:41

	A	B	C	D	E	F <Note 9	G <Note 7
	Actuals: FY 2000	Actuals: FY 2001	Actuals: FY 2002	Actuals: FY 2003	Actuals: FY 2004	Target SOY: FY 2005	Forecast: QTR FY 2005
<b>Power Business Line (PBL)</b>							
1 <b>PBL Net Revenue (Expense) &lt;Note 1</b>	252,130	(380,538)	(87,421)	242,996	319,256	81,153	82,492
<b>PBL Modified Net Revenue Adjustments:</b>							
2 <b>SFAS 133 Adjustments (MTM) &lt;Notes 1, 2</b>		(120,614)	38,354	55,265	89,452		(8,826)
3 <b>ENW Debt Adjustments &lt;Note 2</b>	(81,677)	(157,853)	(264,697)	(148,085)	(151,275)	(18,950)	(18,950)
4 <b>PBL Modified Net Revenue Adjustments &lt;Note 3</b>	(81,677)	(37,239)	(303,051)	(203,350)	(240,727)	(18,950)	(10,125)
5 <b>PBL Modified Net Revenue &lt;Note 4</b>	170,453	(417,778)	(390,472)	39,646	78,529	62,203	72,368
6 <b>PBL Accumulated Net Revenue (GRSP Defined) &lt;Note 5</b>	170,453	(247,325)	(637,797)	(598,151)	(519,622)	(457,419)	(447,255)
7 <b>FBCRAC Threshold Amount &lt;Note 6</b>	--	(386,000)	(408,000)	(378,000)	(264,000)	(334,000)	(334,000)
8		<b>MNR Improvements Required to not trigger FBCRAC</b>					113,255
9 <b>FCRPS Modified Net Revenue &lt;Note 8</b>	159,300	(374,640)	(346,387)	36,874	66,327	63,129	81,849

- <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 EN Debt Service adjustments reduce MNR if rate case amounts exceed actual EN 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 EN debt service and substitutes the Energy Northwest debt service expenses as forecasted in the WP-02 Final Studies.
- <4 FYTD PBL MNR equals \$139 million and FYTD FCRPS MNR equals \$135 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 FB CRAC rates; the GRSP's ANR represents the accounting standard Accumulated Net Revenue (starting 09/30/99) less the accumulated effects of FAS 133 and EN debt refinancing activities (see note 1.)
- <6 In accordance with the GRSP's, the FB CRAC 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 FB CRAC thresholds for the ends of FY 2003 - 2005 are reset to equal the SN CRAC thresholds each time the SN CRAC 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 EN 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.
- <9 The Start-of-Year (SOY) budget reflects the power rates decisions made in September 2004 for FY05 and includes transmission data that is consistent with the data presented in the Programs-in-Review (PIR) process.

**MONTHLY FINAL****Transmission Business Line**

Report ID: CC\_0023

**Statement of Revenues and Expenses - Customer Collaborative**

Data Source: EPM Data Warehouse

Requesting BL: TRANS

Through the Month Ended January 31, 2005 as of January 31, 2005

Run Date/Time: February 18, 2005/ 01:18

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Lapsed = 33%

	A	B <Note 1	C <Note 2	D <Note 3	E	F
	Actuals: FY 2004	Rate Case Forecast: FY 2005	Target: SOY FY 2005	Forecast: Quarter1 FY 2005	Actuals: FYTD 2005	Actuals: FYTD 2004
<b>Operating Revenues</b>						
1 Sales	503,068	599,661	501,461	514,078	168,485	175,100
2 Miscellaneous Revenues	32,868	13,404	42,852	30,236	6,858	9,476
3 Inter-Business Unit Revenues	108,123	132,077	95,493	95,492	32,238	33,548
4 <b>Total Operating Revenues</b>	<b>644,059</b>	<b>745,142</b>	<b>639,806</b>	<b>639,806</b>	<b>207,581</b>	<b>218,124</b>
<b>Operating Expenses</b>						
5 Transmission Operations	83,998	98,811	77,893	77,939	22,295	24,468
6 Transmission Maintenance	77,475	86,511	83,218	83,218	24,076	22,858
7 Transmission Engineering	19,893	10,768	9,099	9,099	3,052	550
8 TBL Transmission Acquisition and Ancillary Services <Note 4	79,977	88,860	86,292	87,292	28,773	27,884
9 Transmission Reimbursables	8,352	10,000	10,000	10,000	3,649	2,027
General and Administrative/Shared Services						
10 CSRS	15,450	13,250	13,250	13,250	4,417	5,150
11 Corporate Support - G&A and Shared Services/TBL Support - Supply Chain	47,166	63,978	64,528	64,528	18,192	15,284
12 Other Income, Expenses & Adjustments	(4,008)		(980)	(980)	776	(70)
13 Non-Federal Debt Service <Note 4	1,191		(6,432)	(6,432)	(536)	
14 Depreciation & Amortization <Note 4	188,942	190,746	189,150	192,500	62,799	60,661
15 <b>Total Operating Expenses</b>	<b>518,438</b>	<b>562,924</b>	<b>526,017</b>	<b>530,413</b>	<b>167,493</b>	<b>158,812</b>
<b>Net Operating Revenues (Expenses)</b>	<b>125,620</b>	<b>182,217</b>	<b>113,789</b>	<b>109,393</b>	<b>40,088</b>	<b>59,312</b>
<b>Interest Expense</b>						
17 Interest	158,350	199,789	159,072	149,374	50,621	57,219
18 AFUDC	(20,528)	(23,500)	(17,535)	(20,000)	(5,350)	(6,762)
19 <b>Net Interest Expense</b>	<b>137,822</b>	<b>176,289</b>	<b>141,537</b>	<b>129,374</b>	<b>45,272</b>	<b>50,457</b>
<b>Net Revenues (Expenses) from Continuing Operations</b>	<b>(12,202)</b>	<b>5,928</b>	<b>(27,748)</b>	<b>(19,980)</b>	<b>(5,184)</b>	<b>8,855</b>
<b>Net Revenues (Expenses)</b>	<b>(\$12,202)</b>	<b>\$5,928</b>	<b>(\$27,748)</b>	<b>(\$19,980)</b>	<b>(\$5,184)</b>	<b>\$8,855</b>

<1 The TBL groupings of expenses by programs and sub-programs for FY 2005 estimates, developed as part of the 2005 Rate Case, are reconstituted to match the programs and sub-programs groupings shown on this report.

<2 The Start-of-Year (SOY) budget for FY 2005 is consistent with the data presented in the Programs-in-Review (PIR) process.

<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 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, budget and forecast data.

**MONTHLY FINAL****Corporate Business Unit**

Data Source: EPM Data Warehouse

Report ID: CC\_0024

**Statement of Revenues and Expenses - Customer Collaborative**

Run Date: February 18,2005

Requesting BL: CORPT

Through the Month Ended January 31, 2005 as of January 31, 2005

Run Time: 01:31

Unit of measure: \$ Thousands

Preliminary/ Unaudited

% of Year Lapsed = 33%

	A	B <Note 4	C	D	E
	Actuals: FY 2004	Target SOY: FY 2005	Forecast: Qtr 1 FY 2005	Actuals: FYTD 2005	Actuals: FYTD 2004
<b>Operating Revenues</b>					
1 Sales					
2 Miscellaneous Revenues					
3 Derivatives - Mark to Market Gain (Loss)					
4 U.S. Treasury Credits					
5 <b>Total Operating Revenues</b>					
<b>Operating Expenses</b>					
Power System Generation Resources					
Operating Generation Resources					
6 Columbia Generating Station					
7 Bureau of Reclamation					
8 Corps of Engineers					
9 Long-term Contract Generating Projects					
10 Operating Generation Settlement Payment					
11 Non-Operating Generation					
12 Contracted Power Purchases and Augmentation Power Purchases					
13 Residential Exchange/IOU Settlement Benefits					
14 Renewable and Conservation Generation, including C&RD					
15 <b>Subtotal Power System Generation Resources</b>					
16 PBL Transmission Acquisition and Ancillary Services					
17 PBL Non-Generation Operations					
18 Transmission Operations					
19 Transmission Maintenance					
20 Transmission Engineering					
21 TBL Transmission Acquisition and Ancillary Services					
22 Transmission Reimbursables					
23 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements					
General and Administrative/Shared Services					
24 CSRS					
25 Corporate Support (G&A and Shared Services) / TBL Supply Chain					
26 Other Income, Expenses & Adjustments <Note 1				(1,185)	(3,392)
Bad Debt Expense and Misc Expense Adjustments				(325)	(149)
Corpt Over/Under Clearing				(861)	(3,244)
Expense postings to Capital projects					
Undistributed Reduction					
27 Non-Federal Debt Service <Note 2	(181,858)	(119,024)	(119,092)	(54,077)	(58,860)
28 Depreciation & Amortization					
29 <b>Total Operating Expenses</b>	(181,858)	(119,024)	(119,092)	(55,263)	(62,253)
30 <b>Net Operating Revenues (Expenses)</b>	181,858	119,024	119,092	55,263	62,253
<b>Interest Expense</b>					
31 Interest <Note 3	(15,503)	(25,700)	(25,632)	(8,483)	(5,168)
32 AFUDC				(83)	(39)
33 <b>Net Interest Expense</b>	(15,503)	(25,700)	(25,632)	(8,566)	(5,206)
34 <b>Net Revenues (Expenses) from Continuing Operations</b>	197,361	144,724	144,724	63,829	67,459
35 <b>Net Revenues (Expenses)</b>	\$197,361	\$144,724	\$144,724	\$63,829	\$67,459

&lt;1 Balances may be due to under/(over) clearing of Corporate expenses.

&lt;2 Corporate Non-Federal Debt Service represents transactions related to Energy Northwest Debt Reassignment.

&lt;3 Corporate Interest reflects the reassignment of Energy Northwest Debt transactions for interest paid by the Transmission business line for use of Debt Reassignment proceeds.

&lt;4 The Start-of-Year (SOY) budget reflects the power rates decisions made in September 2004 for FY05.