

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.