

Transmission Services

FY 2008 Financial Status and Reports

for the PPC Presentation

February 12, 2008



Transmissions Financial Highlights

FY 2008 Financial Performance

as of December 31, 2007

Report ID: 0023FY08	Transmission Services Summary Statement of Revenues and Expenses	Run Date/Time: February 05, 2008/ 06:42
Requesting BL: TRANSMISSION BUSINESS UNIT	Through the Month Ended December 31, 2007 as of December 31, 2007	Data Source: EPM Data Warehouse
Unit of Measure: \$ Thousands	Preliminary/ Unaudited	% of Year Lapsed = 25%

	A	B	C	D	E	F <Note 1	G	H
	Actuals: FY 2007	Actuals: FYTD 2007	Rate Case Forecast: FY 2008	Target: SOY FY 2008	Actuals: FYTD 2008	Forecast: Quarter1 FY 2008	FYTD Actuals per SOY	Forecast per SOY
Operating Revenues								
1 Sales	652,172	158,473	639,300	646,619	161,305	646,619	25%	100%
2 Miscellaneous Revenues	37,116	7,778	31,434	31,592	9,339	31,592	30%	100%
3 Inter-Business Unit Revenues	119,336	28,074	106,969	115,081	26,741	115,081	23%	100%
4 Total Operating Revenues	808,624	194,325	777,703	793,292	197,386	793,292	25%	100%
Operating Expenses								
5 Transmission Operations	92,096	20,535	86,564	96,787	22,329	98,468	23%	102%
6 Transmission Maintenance	90,905	21,373	95,065	95,136	23,031	99,196	24%	104%
7 Transmission Engineering	15,017	3,421	18,344	24,720	3,822	26,441	15%	107%
8 Trans Services Transmission Acquisition and Ancillary Services <Note 2	91,105	21,307	73,351	80,880	16,584	78,909	21%	98%
9 Transmission Reimbursables	13,081	2,154	10,000	10,000	2,684	10,000	27%	100%
BPA Internal Support								
10 Additional Post-Retirement Contribution	10,550	2,637	9,000	9,000	2,250	9,000	25%	100%
11 Agency Services G&A	53,789	11,820	68,098	52,498	12,217	52,498	23%	100%
12 Other Income, Expenses & Adjustments	(3,018)	(1,255)	(2,000)	(2,000)	48	(1,952)	-102%	98%
13 Non-Federal Debt Service <Note 2	9,032	2,054	6,064	3,380	2,125	3,380	63%	100%
14 Depreciation & Amortization <Note 2	175,584	44,306	190,229	184,472	43,889	180,400	24%	98%
15 Total Operating Expenses	548,140	128,351	554,715	554,873	128,979	556,340	23%	100%
16 Net Operating Revenues (Expenses)	260,484	65,974	222,988	238,418	68,406	236,952	29%	99%
Interest Expense								
17 Interest	141,323	36,075	165,375	136,580	34,612	133,393	25%	98%
18 AFUDC	(7,518)	(2,066)	(10,295)	(8,730)	(2,140)	(8,730)	25%	100%
19 Net Interest Expense	133,806	34,009	155,080	127,850	32,472	124,663	25%	98%
20 Net Revenues (Expenses) from Continuing Operations	126,678	31,966	67,908	110,568	35,934	112,289	32%	102%
21 Net Revenues (Expenses)	\$126,678	\$31,966	\$67,908	\$110,568	\$35,934	\$112,289	32%	102%

<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, budget and forecast data.



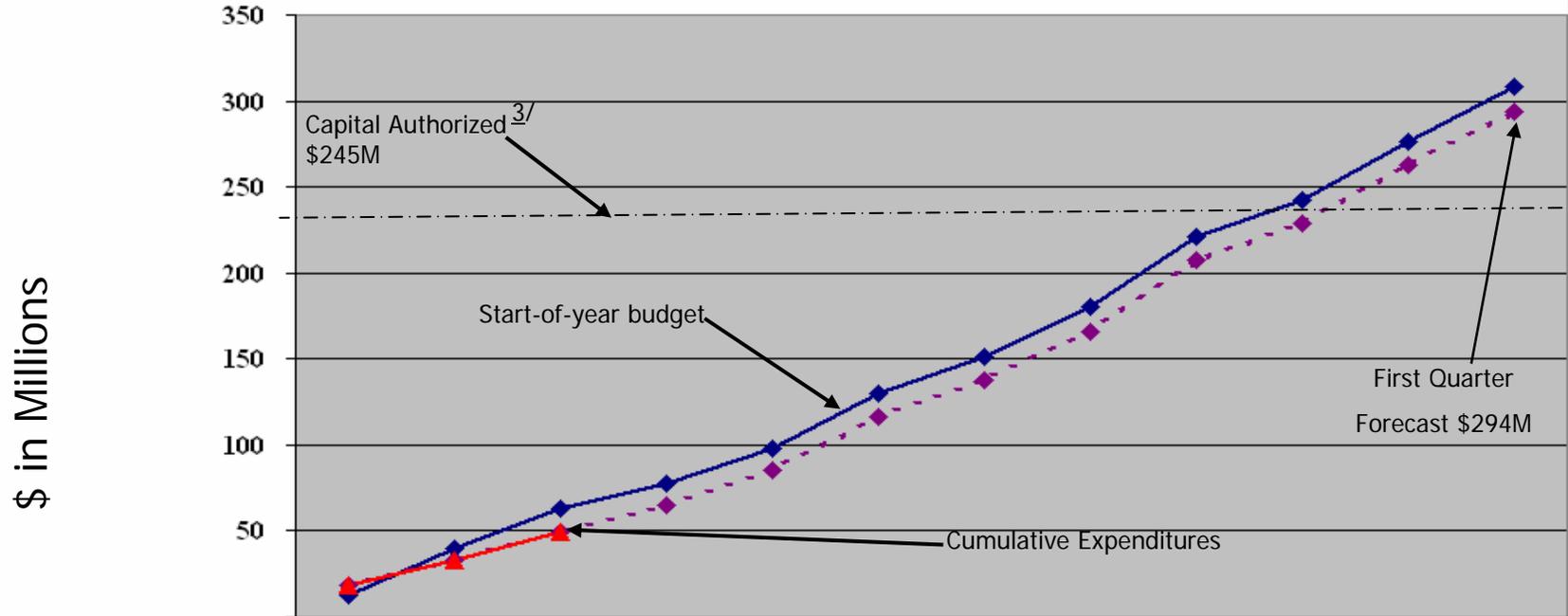
Comparison of Start-of-Year Capital Budget for FY 2008 to First Quarter End-of-Year Forecast as of December 31, 2007

			\$ in Millions
1	FY 2008 Start-of-Year Budget		\$ 307.9
Lower Valley (Caribou) Project:			
2	Lower Valley Area Spare Transformer Bank	Due to critical system need, a PAR for a spare transformer was approved in FY07. Updated forecast to include the purchase of the transformer this fiscal year that was not in SOY budget. No change in total project cost.	\$ 2.9
Misc. Area and Customer Service Projects:			
3	Unity-W. Burley 138 kV tap	This project was approved in September after the SOY budget was prepared and as a result, not included in SOY budget. No change expected in total project cost.	\$ 0.3
Celilo Upgrades Projects:			
4	Celilo C1 & C2 Capacitor Upgrade	Updated forecast to reflect respread of funding to include capacitor purchase in FY08. No change in total project cost.	\$ 0.5
Misc. Replacement Projects:			
5	Vantage 500 kV Substation	Updated forecast to reflect updated project estimates for cost shifting to FY08. No change in total project cost.	\$ 0.5
6	Lopez Island Retaining Wall	Updated forecast to reflect higher construction costs shifting into FY08 than estimated in SOY forecast. No change in total project cost.	\$ 1.0
7	Emergency projects	Increase forecast for emergency projects that have been approved in FY08 and were not included in SOY budget.	\$ 1.2
8	COI Addition Project	Adjusted forecast to reflect the fiscal year spread based on current work plan schedule	\$ (26.8)
9	AFUDC	Increase forecast for non-Federal AFUDC that was not in start of year budget.	\$ 6.2
10	FY 2008 1st Quarter End-of-Year Forecast		\$ 293.7



Capital Program ^{1/} Cumulative View as of December 31, 2007

Capital Project Plan of \$308M & Expenditures



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ SOY Budget	13	40	63	78	98	130	151	180	221	242	276	308
◆ EOY Forecast	18	33	49	65	85	116	138	166	207	229	263	294
▲ FYTD Expenditures	18	33	49									
2/ 3rd Party Fin. Exp.	2	7	8									

1/ Capital including spacer dampers scoring against borrowing authority plus master lease, radio spectrum, customer financing, and PFIA.
 2/ These master leased financed projects are included in the fiscal year-to-date actuals shown above.
 3/ Projects approved and allocation received to date. – loaded



Transmission Services Income Statement as of December 31, 2007

Report ID: 0061FY08		Transmission Services Detailed Statement of Revenues and Expenses					Run Date/Time: February 05, 2008 06:43			
Requesting BL: TRANSMISSION BUSINESS UNIT		Through the Month Ended December 31, 2007 as of December 31, 2007					Data Source: EPM Data Warehouse			
Unit of Measure: \$ Thousands (\$000)		Preliminary/ Unaudited					% of Year Lapsed = 25%			
		A	B	C	D ^{<Note 1}	E	F	G	H	
		Actuals: FY 2006	Actuals: FY 2007	Actuals: FYTD 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast	
Operating Revenues										
1	Sales	\$605,324	\$652,172	\$158,473	\$639,300	\$646,619	\$161,305	\$646,619	25%	
2	Miscellaneous Revenues	35,808	37,116	7,778	31,434	31,592	9,339	31,592	30%	
3	Inter-Business Unit Revenues	143,207	119,336	28,074	106,969	115,081	26,741	115,081	23%	
4	Total Operating Revenues	784,339	808,624	194,325	777,703	793,292	197,386	793,292	25%	
Operating Expenses										
Transmission Operations										
System Operations										
5	INFORMATION TECHNOLOGY	1,299	4,297	890	662	6,085	903	6,825	13%	
6	POWER SYSTEM DISPATCHING	8,271	9,614	2,566	10,125	10,125	2,190	9,073	24%	
7	CONTROL CENTER SUPPORT	9,265	9,492	2,183	9,449	9,449	2,548	11,764	22%	
8	TECHNICAL OPERATIONS	3,204	3,338	695	3,694	3,693	1,068	4,598	23%	
9	SUBSTATION OPERATIONS	18,193	17,151	4,060	18,758	18,767	4,631	19,464	24%	
10	Sub-Total	40,232	43,892	10,393	42,688	48,118	11,340	51,725	22%	
Scheduling										
11	MANAGEMENT SUPERVISION & ADMINISTRATION	845	523	137	1,035	1,035	140	607	23%	
12	RESERVATIONS	394	578	125	459	459	160	692	23%	
13	PRE-SCHEDULING	652	448	116	755	755	112	484	23%	
14	REAL-TIME SCHEDULING	3,583	3,531	859	3,971	3,971	966	4,187	23%	
15	SCHEDULING TECHNICAL SUPPORT	1,953	1,219	245	2,691	2,691	536	1,796	30%	
16	SCHEDULING AFTER-THE-FACT	306	209	65	666	666	181	784	23%	
17	Sub-Total	7,733	6,508	1,548	9,577	9,577	2,094	8,550	24%	

Footnotes on last report page.



Transmission Services Income Statement as of December 31, 2007

				A	B	C	D ^{<Note 1}	E	F	G	H
				Actuals: FY 2006	Actuals: FY 2007	Actuals: FYTD 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast
Transmission Maintenance											
System Maintenance											
39		NON-ELECTRIC MAINTENANCE		9,587	8,439	2,460	11,053	11,074	1,692	7,911	21%
40		SUBSTATION MAINTENANCE		19,903	19,706	4,508	17,386	17,656	5,730	23,197	25%
41		TRANSMISSION LINE MAINTENANCE		18,989	17,442	4,577	18,826	17,149	4,919	21,311	23%
42		SYSTEM PROTECTION CONTROL MAINTENANCE		10,460	9,535	2,095	9,730	9,025	2,668	11,132	24%
43		POWER SYSTEM CONTROL MAINTENANCE		8,682	8,248	2,097	10,627	10,873	2,197	9,518	23%
44		JOINT COST MAINTENANCE		111	181	54		223	40	172	23%
45		SYSTEM MAINTENANCE MANAGEMENT		3,533	7,535	2,267	6,822	5,652	915	4,279	21%
46		ROW MAINTENANCE		11,377	14,779	2,330	12,844	16,567	3,683	16,398	22%
47		HEAVY MOBILE EQUIP MAINT		135	(179)	(182)	858		(33)		
48		TECHNICAL TRAINING		2,319	2,180	471	3,530	3,531	506	2,185	23%
49		Sub-Total		85,096	87,866	20,677	91,676	91,749	22,317	96,101	23%
Environmental Operations											
50		ENVIRONMENTAL ANALYSIS		45	45	11		74	22	97	23%
51		POLLUTION PREVENTION AND ABATEMENT		2,799	2,995	685	3,389	3,314	692	2,997	23%
52		Sub-Total		2,843	3,039	696	3,389	3,388	714	3,094	23%
53		Transmission Maintenance Sub-Total		87,939	90,905	21,373	95,065	95,136	23,031	99,196	23%

Footnotes on last report page.



Transmission Services Income Statement as of December 31, 2007

				A	B	C	D ^{<Note 1}	E	F	G	H
				Actuals: FY 2006	Actuals: FY 2007	Actuals: FYTD 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast
Transmission Engineering											
System Development											
54		RESEARCH & DEVELOPMENT		2,997	2,845	361	3,396	6,404	352	6,404	5%
55		TSD PLANNING AND ANALYSIS		3,743	4,447	973	3,502	3,439	975	4,768	20%
56		CAPITAL TO EXPENSE TRANSFER		6,625	2,847	373	8,000	8,000	2,012	8,004	25%
57		REGULATORY & REGION ASSOC FEES		354	3,790	1,507	2,180	5,552	199	5,960	3%
58		ENVIRONMENTAL POLICY/PLANNING		1,056	1,088	206	1,266	1,326	283	1,306	22%
59		Sub-Total		14,775	15,017	3,421	18,344	24,720	3,822	26,441	14%
60		Transmission Engineering Sub-Total		14,775	15,017	3,421	18,344	24,720	3,822	26,441	14%
Trans. Services Transmission Acquisition and Ancillary Services											
BBL Acquisition and Ancillary Products and Services											
61		ANCILLARY SERVICES PAYMENTS		67,980	68,399	15,911	45,521	50,993	11,921	46,902	25%
62		OTHER PAYMENTS TO POWER SERVICES		3,775	6,527	1,632	6,652	7,048	2,444	11,139	22%
63		STATION SERVICES PAYMENTS		3,202	3,613	895	3,589	3,589	856	2,689	32%
64		Sub-Total		74,957	78,539	18,438	55,762	61,630	15,221	60,730	25%
Non-BBL Acquisition and Ancillary Products and Services ^{<Note 2}											
65		LEASED FACILITIES		5,115	5,305	1,095	13,608	15,269	1,155	14,506	8%
66		GENERAL TRANSFER AGREEMENTS (settlement)		1			931			1,000	0%
67		NON-BBL ANCILLARY SERVICES		8,511	7,261	1,775	3,050	3,981	207	2,673	8%
68		Sub-Total		13,627	12,566	2,870	17,589	19,250	1,363	18,179	7%
69		Trans. Svcs. Acquisition and Ancillary Services Sub-Total		88,584	91,105	21,307	73,351	80,880	16,584	78,909	21%

Footnotes on last report page.



Transmission Services Income Statement as of December 31, 2007

	A	B	C	D ^{<Note 1}	E	F	G	H
	Actuals: FY 2006	Actuals: FY 2007	Actuals: FYTD 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast
Transmission Reimbursables								
Reimbursables								
70 EXTERNAL REIMBURSABLE SERVICES	23,050	12,647	2,063	10,000	8,196	2,610	9,582	27%
71 INTERNAL REIMBURSABLE SERVICES	1,006	434	91		1,804	75	418	18%
72 Sub-Total	24,056	13,081	2,154	10,000	10,000	2,684	10,000	27%
73 Transmission Reimbursables Sub-Total	24,056	13,081	2,154	10,000	10,000	2,684	10,000	27%
BPA Internal Support								
74 Additional Post-Retirement Contribution	11,600	10,550	2,637	9,000	9,000	2,250	9,000	25%
75 Agency Services G & A (excludes direct project support)	63,401	53,789	11,820	68,098	52,498	12,217	52,498	23%
76 Shared Services (excludes direct proj sup)	1							
77 BPA Internal Support Subtotal	75,002	64,339	14,457	77,098	61,498	14,467	61,498	24%
Other Income, Expenses, and Adjustments								
78 Bad Debt Expense	903	(1,221)	(90)			2	2	100%
79 Other Income, Expenses, Adjustments	(2,104)	(1,798)	(1,165)			46	46	100%
80 Capital Projects with Expense Accounts								
81 Undistributed Reduction				(2,000)	(2,000)		(2,000)	0%
82 Non-Federal Debt Service ^{<Note 2}	5,770	9,032	2,054	6,064	3,380	2,125	3,380	63%
83 Depreciation	171,264	175,376	44,271	190,229	183,461	43,723	179,400	24%
84 Amortization ^{<Note 2}	94	208	35		1,011	166	1,000	17%
85 Total Operating Expenses	550,231	548,140	128,351	554,715	554,873	128,979	556,340	23%
86 Net Operating Revenues (Expenses)	234,108	260,484	65,974	222,988	238,418	68,406	236,952	29%

Footnotes on last report page.



Transmission Services Income Statement as of December 31, 2007

	A	B	C	D ^{<Note 1}	E	F	G	H
	Actuals: FY 2006	Actuals: FY 2007	Actuals: FYTD 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast
Interest Expense								
Interest on Federal Investment								
87 Appropriated	46,435	44,665	11,166	37,918	40,838	10,210	40,838	25%
88 Capitalization Adjustment	(18,968)	(18,968)	(4,742)	(18,968)	(18,968)	(4,742)	(18,968)	25%
89 Gross Bonds Interest Expense	99,184	90,860	22,811	114,385	83,648	20,526	80,661	25%
90 Interest Earned on BPA Fund	(13,517)	(17,808)	(3,688)	(10,506)	(20,075)	(4,166)	(20,275)	21%
91 Debt Service Reassignment Interest	32,827	42,574	10,528	42,546	51,137	12,784	51,137	25%
92 AFUDC	(9,201)	(7,518)	(2,066)	(10,295)	(8,730)	(2,140)	(8,730)	25%
93 Net Interest Expense	136,761	133,806	34,009	155,080	127,850	32,472	124,663	26%
94 Total Expenses	686,992	681,946	162,359	709,795	682,723	161,451	681,003	24%
95 Net Revenues (Expenses) from Continuing Operations	97,347	126,678	31,966	67,908	110,568	35,934	112,289	32%
96 Net Revenues (Expenses)	\$97,347	\$126,678	\$31,966	\$67,908	\$110,568	\$35,934	\$112,289	32%

<1 The TBL groupings of expenses by programs and sub-programs for FY 2007 estimates, developed as part of the FY 2006 Rate Case, are reconstituted to match the programs and sub-programs groupings shown on this report.

<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, budget and forecast data.



Financial Disclosure

This information has been made publicly available by BPA on February 12, 2008 and is consistent with BPA-approved Agency Financial Information.

