

Transmission Services

FY 2008 Financial Status and Reports

for the PPC Presentation

May 13, 2008



Transmissions Financial Highlights

FY 2008 Financial Performance

as of March 31, 2008

Report ID: 0023FY08		Transmission Services Summary Statement of Revenues and Expenses				Run Date/Time: April 28, 2008/ 13:36			
Requesting BL: TRANSMISSION BUSINESS UNIT		Through the Month Ended March 31, 2008 as of March 31, 2008				Data Source: EPM Data Warehouse			
Unit of Measure: \$ Thousands		Preliminary/ Unaudited				% of Year Lapsed = 50%			
		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: Quarter2 FY 2008	FYTD Actuals per SOY	Forecast per SOY
Operating Revenues									
1	Sales	652,172	323,981	639,300	646,619	333,174	660,791	52%	102%
2	Miscellaneous Revenues	37,116	14,782	31,434	31,592	17,115	34,173	54%	108%
3	Inter-Business Unit Revenues	119,336	55,421	106,969	115,081	53,535	109,108	47%	95%
4	Total Operating Revenues	808,624	394,183	777,703	793,292	403,824	804,071	51%	101%
Operating Expenses									
5	Transmission Operations	92,096	43,044	86,564	96,787	44,433	95,164	46%	98%
6	Transmission Maintenance	90,905	42,756	95,065	95,136	46,273	104,237	49%	110%
7	Transmission Engineering	15,017	6,572	18,344	24,720	8,772	22,704	35%	92%
8	Trans Services Transmission Acquisition and Ancillary Services <Note 2	91,105	45,008	73,351	80,880	33,668	80,856	42%	100%
9	Transmission Reimbursables	13,081	4,333	10,000	10,000	3,763	10,000	38%	100%
BPA Internal Support									
10	Additional Post-Retirement Contribution	10,550	5,275	9,000	9,000	1,500	9,000	50%	100%
11	Agency Services G&A	53,789	24,009	68,098	52,498	25,610	52,498	49%	100%
12	Other Income, Expenses & Adjustments	(3,018)	(2,036)	(2,000)	(2,000)	101	(1,899)	-105%	95%
13	Non-Federal Debt Service <Note 2	9,032	3,565	6,064	3,380	7,382	3,380	218%	100%
14	Depreciation & Amortization <Note 2	175,584	89,514	190,229	184,472	87,925	177,900	48%	96%
15	Total Operating Expenses	548,140	262,040	554,715	554,873	262,427	553,840	47%	100%
16	Net Operating Revenues (Expenses)	260,484	132,144	222,988	238,418	141,397	250,231	59%	105%
Interest Expense									
17	Interest	141,323	71,791	165,375	136,580	68,821	134,339	50%	98%
18	AFUDC	(7,518)	(3,706)	(10,295)	(8,730)	(4,369)	(8,730)	50%	100%
19	Net Interest Expense	133,806	68,085	155,080	127,850	64,453	125,609	50%	98%
20	Net Revenues (Expenses) from Continuing Operations	126,678	64,059	67,908	110,568	76,944	124,622	70%	113%
21	Net Revenues (Expenses)	\$126,678	\$64,059	\$67,908	\$110,568	\$76,944	\$124,622	70%	113%

<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 March 31, 2008 (No Change Since December 31, 2007)

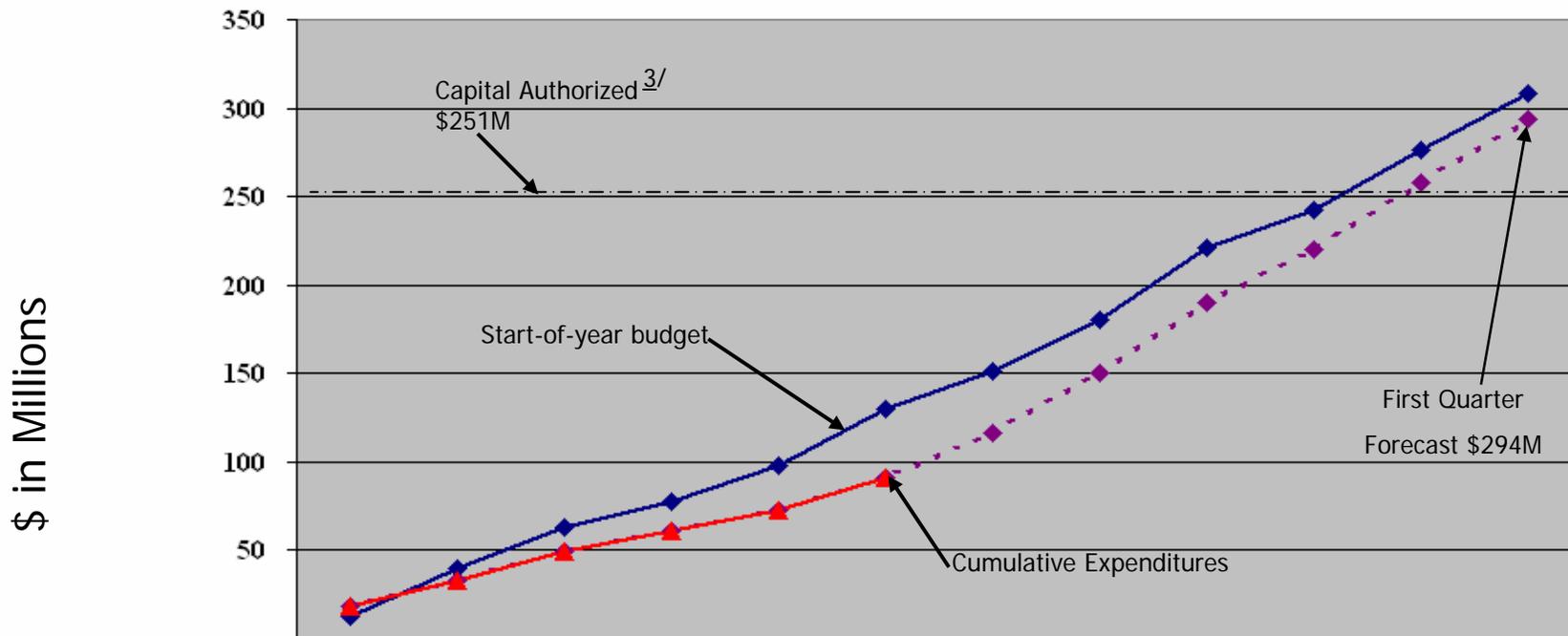
			\$ in Millions
1	FY 2008 Start-of-Year Budget		\$ 307.9
Lower Valley (Caribou) Project:			
2	Lower Valley Area Spare Transformer Bank	Due to critical system need, a PAR for a spare transformer was approved in FY07. Updated forecast to include the purchase of the transformer this fiscal year that was 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

No change for 2nd Quarter



Capital Program ^{1/} Cumulative View as of March 31, 2008

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	61	73	91	116	150	190	220	258	294
▲ FYTD Expenditures	18	33	49	61	73	91						
^{2/} 3rd Party Fin. Exp.	2	7	8	9	11	12						

^{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 March 31, 2008

Report ID: 0061FY08	Transmission Services Detailed Statement of Revenues and Expenses	Run Date/Time: April 28, 2008 13:52
Requesting BL: TRANSMISSION BUSINESS UNIT	Through the Month Ended March 31, 2008 as of March 31, 2008	Data Source: EPM Data Warehouse
Unit of Measure: \$ Thousands (\$000)	Preliminary/ Unaudited	% of Year Lapsed = 50%

		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	\$323,981	\$639,300	\$646,619	\$333,174	\$660,791	50%
2	Miscellaneous Revenues	35,808	37,116	14,782	31,434	31,592	17,115	34,173	50%
3	Inter-Business Unit Revenues	143,207	119,336	55,421	106,969	115,081	53,535	109,108	49%
4	Total Operating Revenues	784,339	808,624	394,183	777,703	793,292	403,824	804,071	50%
Operating Expenses									
Transmission Operations									
System Operations									
5	INFORMATION TECHNOLOGY	1,299	4,297	2,025	662	6,085	2,442	6,585	37%
6	POWER SYSTEM DISPATCHING	8,271	9,614	5,034	10,125	10,125	4,657	9,840	47%
7	CONTROL CENTER SUPPORT	9,265	9,492	4,524	9,449	9,449	4,860	10,483	46%
8	TECHNICAL OPERATIONS	3,204	3,338	1,404	3,694	3,693	1,900	4,374	43%
9	SUBSTATION OPERATIONS	18,193	17,151	8,172	18,758	18,767	8,567	17,307	50%
10	Sub-Total	40,232	43,892	21,160	42,688	48,118	22,426	48,588	46%
Scheduling									
11	MANAGEMENT SUPERVISION & ADMINISTRATION	845	523	255	1,035	1,035	235	536	44%
12	RESERVATIONS	394	578	264	459	459	359	783	46%
13	PRE-SCHEDULING	652	448	208	755	755	198	474	42%
14	REAL-TIME SCHEDULING	3,583	3,531	1,709	3,971	3,971	1,794	4,125	43%
15	SCHEDULING TECHNICAL SUPPORT	1,953	1,219	558	2,691	2,691	740	1,574	47%
16	SCHEDULING AFTER-THE-FACT	306	209	107	666	666	565	1,249	45%
17	Sub-Total	7,733	6,508	3,102	9,577	9,577	3,892	8,741	45%

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Transmission Services Income Statement as of March 31, 2008

		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
	Marketing and Business Support								
18	TRANSMISSION SALES	2,371	2,673	1,598		2,230	1,236	2,580	48%
19	MKTG EXECUTIVE OFFICE								
20	MKTG INTERNAL OPERATIONS	572	220	131	861	861	53	88	60%
21	MKTG TRANSMISSION FINANCE	668	380	183	815	721	190	387	49%
22	MKTG CONTRACT MANAGEMENT	1,776	2,895	1,224	1,456	4,252	1,569	3,586	44%
23	MKTG TRANSMISSION BILLING	1,577	2,840	1,283	1,922	4,414	941	2,006	47%
24	MKTG BUSINESS STRAT & ASSESS	2,835	3,379	1,424	2,446	3,247	1,617	3,666	44%
25	MARKETING IT SUPPORT	433	1,081	460	158		363	798	46%
26	MARKETING AND SALES	503	242	164	2,230				
27	METER DATA	618			1,354				
28	Marketing Sub-Total	11,352	13,712	6,466	11,242	15,725	5,968	13,111	46%
29	EXECUTIVE AND ADMIN SERVICES	5,354	6,726	3,226	8,045	6,950	4,150	8,299	50%
30	STAFF MANAGEMENT (HR)	(431)							
31	LEGAL SUPPORT	1,629	1,893	851		2,515	943	2,553	37%
32	RANS SERVICES INTERNAL GENERAL & ADMINISTRATIVE	12,717	12,295	5,015	7,577	7,138	4,091	6,849	60%
33	SUPPORT FOR SHARED SERVICES PRODUCTS								
34	AIRCRAFT SERVICES	723	608	295	1,327	1,105	341	1,131	30%
35	LOGISTICS SERVICES	3,685	5,436	2,262	5,080	5,080	2,212	4,967	45%
36	SECURITY ENHANCEMENTS	950	1,026	667	1,028	578	409	924	44%
37	Business Support Sub-Total	24,628	27,984	12,317	23,057	23,366	12,147	24,724	49%
38	Transmission Operations Sub-Total	83,946	92,096	43,044	86,564	96,787	44,433	95,164	47%

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Transmission Services Income Statement as of March 31, 2008

				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	4,356	11,053	11,074	3,404	9,138	37%
40		SUBSTATION MAINTENANCE		19,903	19,706	9,044	17,386	17,656	10,973	21,273	52%
41		TRANSMISSION LINE MAINTENANCE		18,989	17,442	9,322	18,826	17,149	9,871	21,832	45%
42		SYSTEM PROTECTION CONTROL MAINTENANCE		10,460	9,535	4,341	9,730	9,025	5,064	11,704	43%
43		POWER SYSTEM CONTROL MAINTENANCE		8,682	8,248	3,933	10,627	10,873	4,431	9,965	44%
44		JOINT COST MAINTENANCE		111	181	100		223	81	180	45%
45		SYSTEM MAINTENANCE MANAGEMENT		3,533	7,535	4,830	6,822	5,652	3,237	5,360	60%
46		ROW MAINTENANCE		11,377	14,779	4,595	12,844	16,567	6,801	19,111	36%
47		HEAVY MOBILE EQUIP MAINT		135	(179)	(205)	858		(87)		
48		TECHNICAL TRAINING		2,319	2,180	1,003	3,530	3,531	1,040	2,314	45%
49		Sub-Total		85,096	87,866	41,319	91,676	91,749	44,816	100,878	44%
Environmental Operations											
50		ENVIRONMENTAL ANALYSIS		45	45	16		74	31	103	31%
51		POLLUTION PREVENTION AND ABATEMENT		2,799	2,995	1,421	3,389	3,314	1,426	3,256	44%
52		Sub-Total		2,843	3,039	1,437	3,389	3,388	1,457	3,359	43%
53		Transmission Maintenance Sub-Total		87,939	90,905	42,756	95,065	95,136	46,273	104,237	44%

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Transmission Services Income Statement as of March 31, 2008

				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	933	3,396	6,404	988	3,625	27%
55			TSD PLANNING AND ANALYSIS	3,743	4,447	2,201	3,502	3,439	2,356	4,661	51%
56			CAPITAL TO EXPENSE TRANSFER	6,625	2,847	1,119	8,000	8,000	2,617	6,565	40%
57			REGULATORY & REGION ASSOC FEES	354	3,790	1,857	2,180	5,552	2,243	6,463	35%
58			ENVIRONMENTAL POLICY/PLANNING	1,056	1,088	461	1,266	1,326	568	1,390	41%
59			Sub-Total	14,775	15,017	6,572	18,344	24,720	8,772	22,704	39%
60			Transmission Engineering Sub-Total	14,775	15,017	6,572	18,344	24,720	8,772	22,704	39%
Trans. Services Transmission Acquisition and Ancillary Services											
BBL Acquisition and Ancillary Products and Services											
61			ANCILLARY SERVICES PAYMENTS	67,980	68,399	33,830	45,521	50,993	24,058	48,511	50%
62			OTHER PAYMENTS TO POWER SERVICES	3,775	6,527	3,264	6,652	7,048	5,229	11,140	47%
63			STATION SERVICES PAYMENTS	3,202	3,613	1,792	3,589	3,589	1,412	2,689	53%
64			Sub-Total	74,957	78,539	38,885	55,762	61,630	30,699	62,340	49%
Non-BBL Acquisition and Ancillary Products and Services <Note 2											
65			LEASED FACILITIES	5,115	5,305	2,342	13,608	15,269	2,414	15,286	16%
66			GENERAL TRANSFER AGREEMENTS (settlement)	1			931			1,000	0%
67			NON-BBL ANCILLARY SERVICES	8,511	7,261	3,780	3,050	3,981	556	2,230	25%
68			Sub-Total	13,627	12,566	6,122	17,589	19,250	2,970	18,517	16%
69			Trans. Svcs. Acquisition and Ancillary Services Sub-Total	88,584	91,105	45,008	73,351	80,880	33,668	80,856	42%

Footnotes on last report page.



Transmission Services Income Statement as of March 31, 2008

	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	4,147	10,000	8,196	3,619	9,643	38%
71 INTERNAL REIMBURSABLE SERVICES	1,006	434	186		1,804	143	357	40%
72 Sub-Total	24,056	13,081	4,333	10,000	10,000	3,763	10,000	38%
73 Transmission Reimbursables Sub-Total	24,056	13,081	4,333	10,000	10,000	3,763	10,000	38%
BPA Internal Support								
74 Additional Post-Retirement Contribution	11,600	10,550	5,275	9,000	9,000	4,500	9,000	50%
75 Agency Services G & A (excludes direct project support)	63,401	53,789	24,009	68,098	52,498	25,610	52,498	49%
76 Shared Services (excludes direct proj sup)	1							
77 BPA Internal Support Subtotal	75,002	64,339	29,284	77,098	61,498	30,110	61,498	49%
Other Income, Expenses, and Adjustments								
78 Bad Debt Expense	903	(1,221)	(76)			128	128	100%
79 Other Income, Expenses, Adjustments	(2,104)	(1,798)	(1,960)			(27)	(27)	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	3,565	6,064	3,380	7,382	3,380	218%
83 Depreciation	171,264	175,376	89,444	190,229	183,461	87,539	176,900	49%
84 Amortization <Note 2	94	208	70		1,011	385	1,000	39%
85 Total Operating Expenses	550,231	548,140	262,040	554,715	554,873	262,427	553,840	47%
86 Net Operating Revenues (Expenses)	234,108	260,484	132,144	222,988	238,418	141,397	250,231	57%

Footnotes on last report page.



Transmission Services Income Statement as of March 31, 2008

	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	22,303	37,918	40,838	20,419	40,838	50%
88 Capitalization Adjustment	(18,968)	(18,968)	(9,484)	(18,968)	(18,968)	(9,484)	(18,968)	50%
89 Gross Bonds Interest Expense	99,184	90,860	45,640	114,385	83,648	41,103	80,323	51%
90 Interest Earned on BPA Fund	(13,517)	(17,808)	(7,723)	(10,506)	(20,075)	(8,786)	(18,991)	46%
91 Debt Service Reassignment Interest	32,827	42,574	21,055	42,546	51,137	25,569	51,137	50%
92 AFUDC	(9,201)	(7,518)	(3,706)	(10,295)	(8,730)	(4,369)	(8,730)	50%
93 Net Interest Expense	136,761	133,806	68,085	155,080	127,850	64,453	125,609	51%
94 Total Expenses	686,992	681,946	330,125	709,795	682,723	326,880	679,449	48%
96 Net Revenues (Expenses)	\$97,347	\$126,678	\$64,059	\$67,908	\$110,568	\$76,944	\$124,622	62%

<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 May 13, 2008 and is consistent with BPA-approved Agency Financial Information.

