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Pre-Decisional

WP-07 Power Rate Case Workshop

June 2, 2006

BPA Power Business Line
Date Issued: June 2, 2006
Revised and Reissued: June 7, 2006



**Estimated Changes in Loads and Resources Relative to the 2007-2009 Rates Initial Proposal
and Estimates of Associated Augmentation Costs**
Average Effects over the Three-Year Rate Period

Loads	Critical Water Period ^{2/}	Critical Water Period
	15	
Slice	-35	
Non-Slice	50	
Regulated Hydro Resources	-110	
Spill due to Lack-of-Market		
3-Year Fall Chinook Transport Study		
RSWs Delayed		
Other Juvenile Spill Criteria Changes		
Other Resources	-42	
Idaho Bulb Turbine	-19	
Wauna	-6	
Four-Mile Hill	-17	
Net Effect	-167	\$80M - \$90M ^{1/}

^{1/} Based on Initial Proposal Prices

^{2/} While this table only shows critical water changes similar changes also occur in most water years. The largest energy change appears to be in spill due to lack of market, which is expected to have little rate effect since it occurs only in the highest water years when market energy values are low.

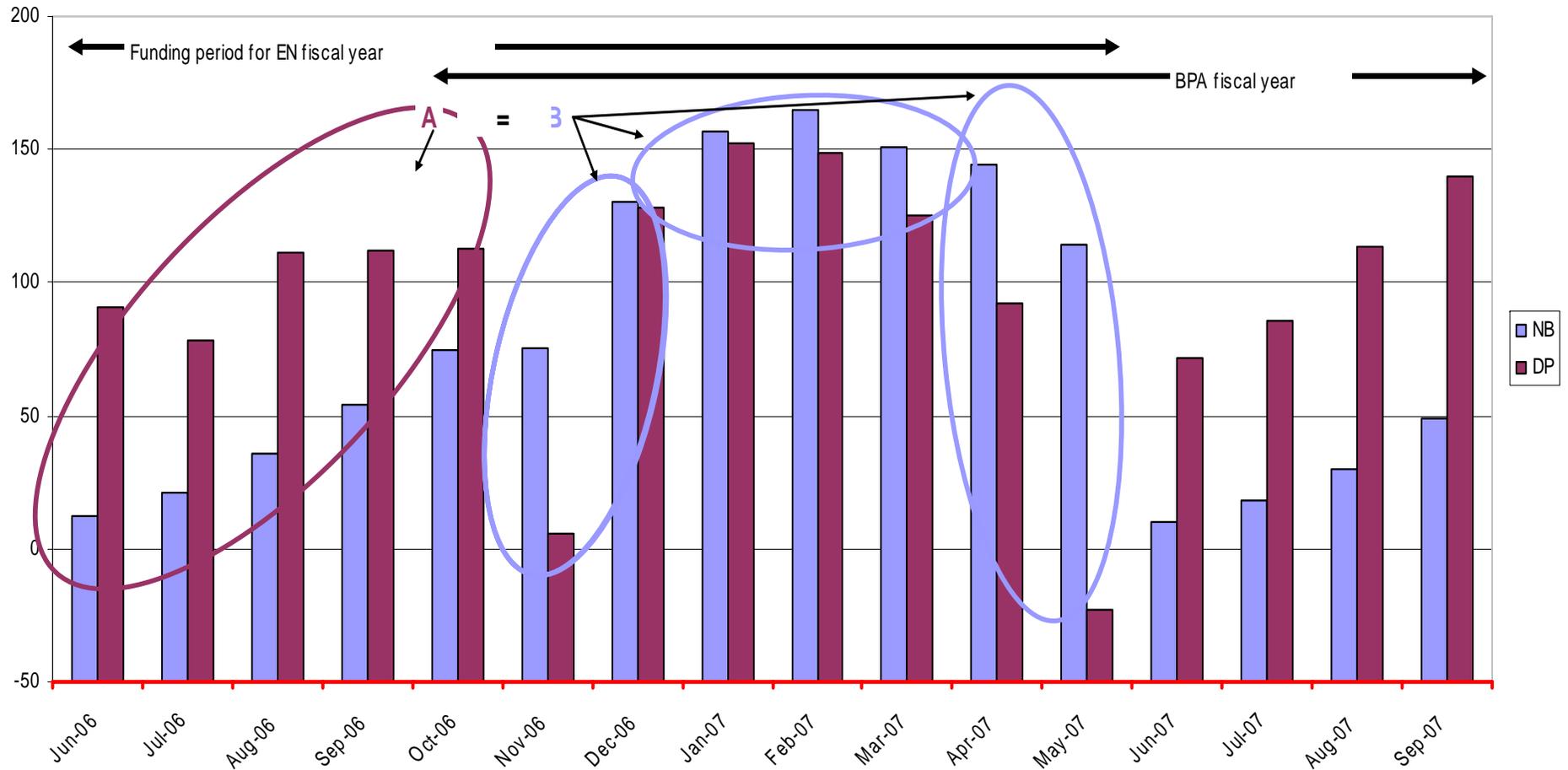


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Preliminary Estimates for Illustrative Purposes Only

Direct Pay vs Net Billing Monthly Partial* Cash Flows (June 2006 through September 2007)

* Gross PF sales revenue less payments to EN



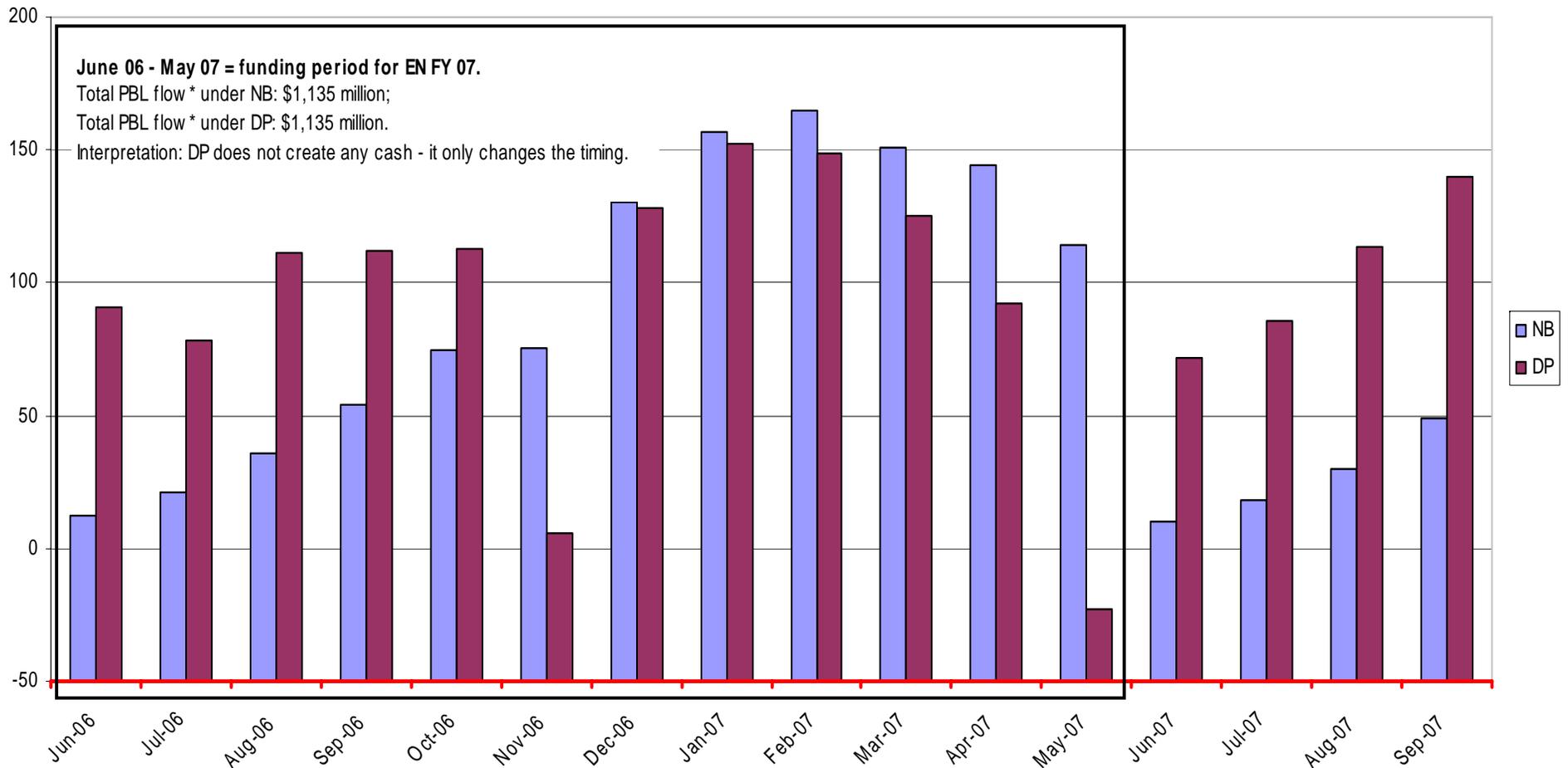


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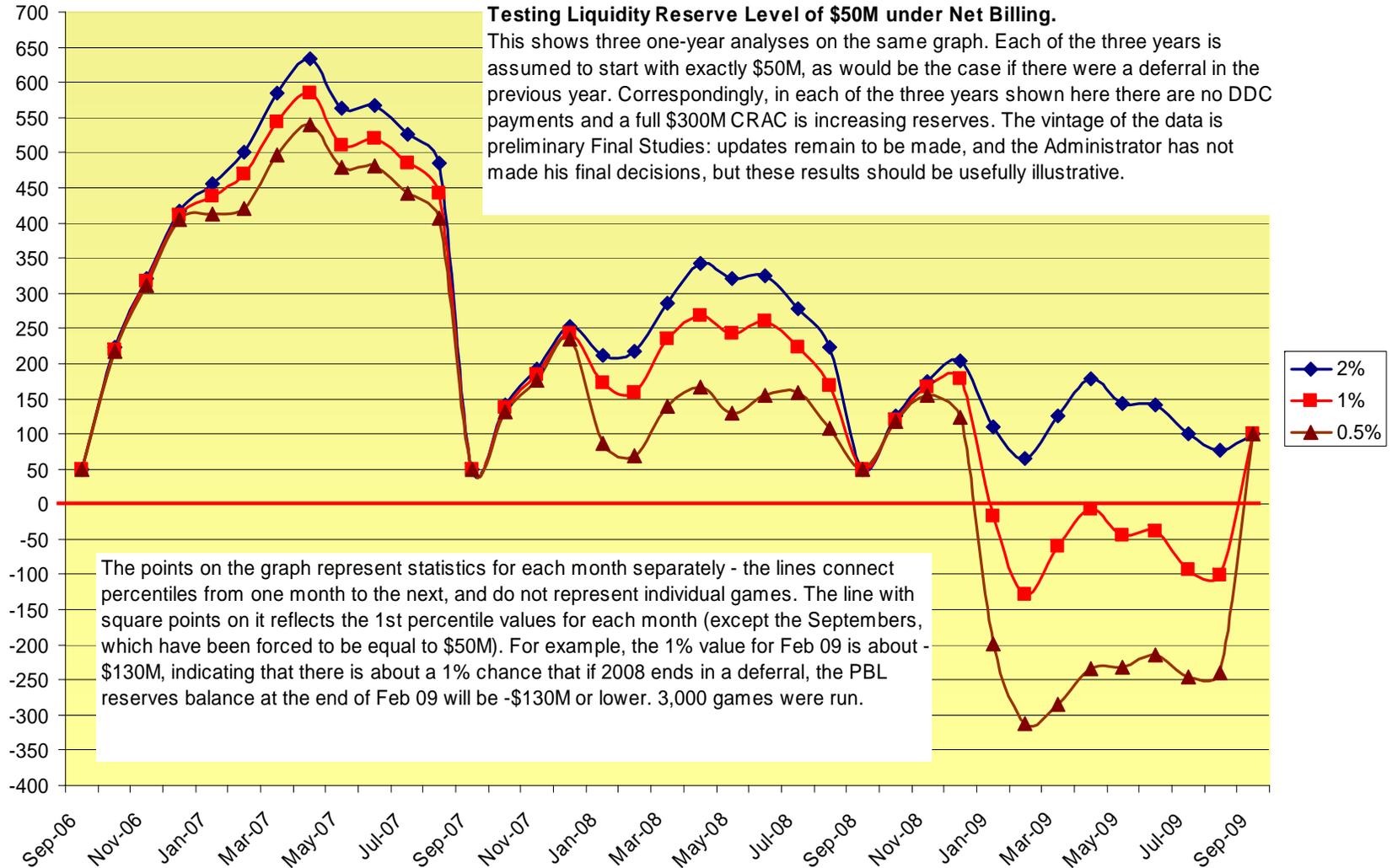




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**FY 2007 - 2009 Net Billed Liquidity Need Analysis;
Worst Months' Reserve Balances**

Preliminary Estimates for Illustrative Purposes Only

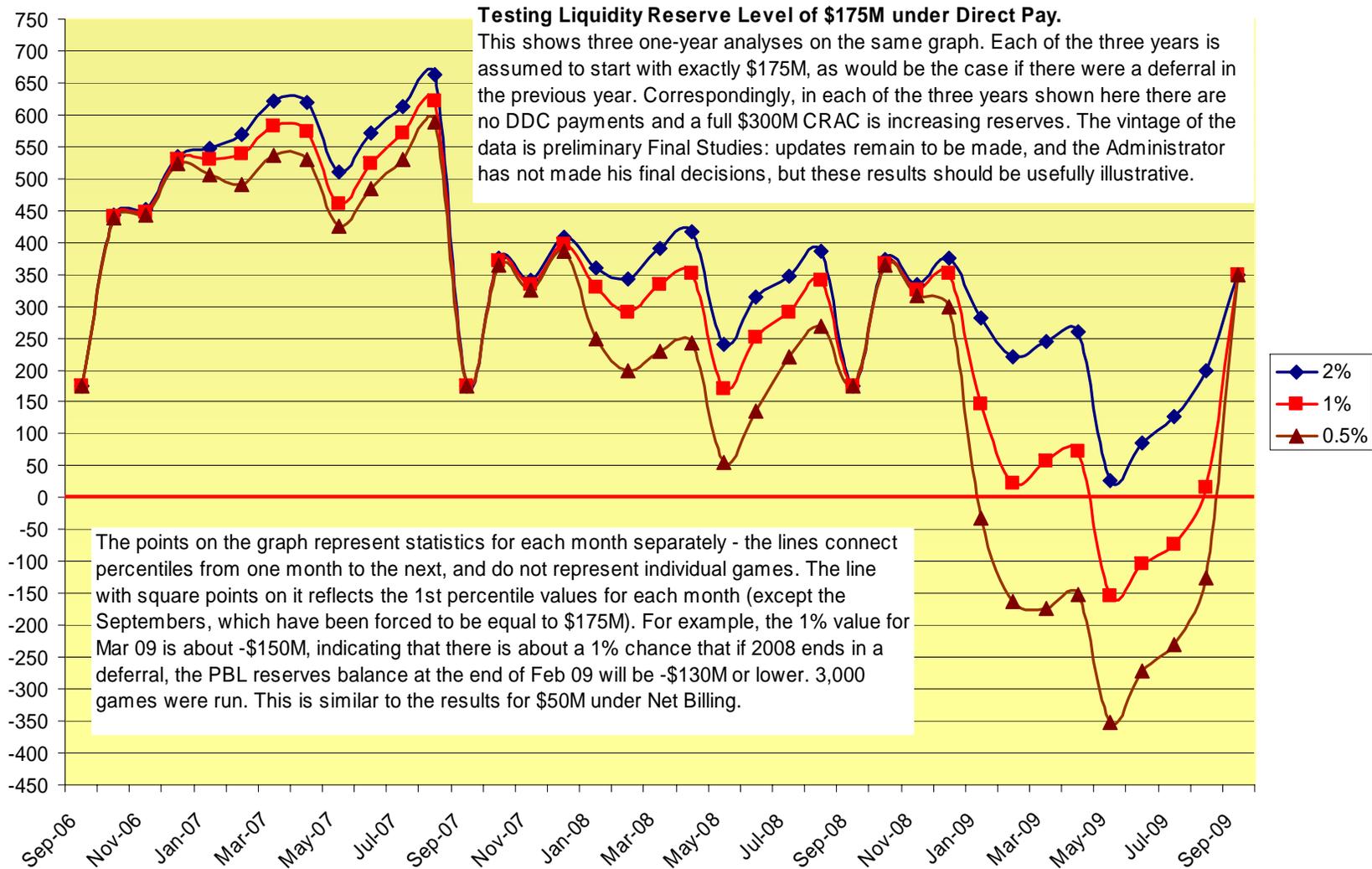




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**FY 2007 - 2009 Direct Pay Liquidity Need Analysis;
Worst Months' Reserve Balances**

Preliminary Estimates for Illustrative Purposes Only





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CRAC/DDC Thresholds

Preliminary Estimates for Illustrative Purposes Only

	No Customer Liquidity								Initial Proposal	
			1a. Current Base Case		1b.		1c.			
	1z.									
1 Customer Liquidity	0		0		0		0		0	
2 Liquidity reserve level	175		175		175		175		50	
3 Total need for Liquidity	175		175		175		175		50	
4 CRAC Threshold, in reserves	500		625		750		750		500*	
5 DDC Threshold, in reserves	800		925		1,050		850		800	
6 PNRR	186		118		60		79		97	
7 Base rate	1.4				-1.2		-0.8		30.6	
8 E.V. 2007 Rate	-1.2		-0.7		-1.3		-2.4		32.2	
9 E.V. 2008 Rate	-3.2		-3.1		-2.4		-3.2		30.5	
10 E.V. 2009 Rate	-3.9		-3.8		-3.4		-3.7		28.3	
11 E.V. 3-Yr Ave. Rate	-2.8		-2.6		-2.4		-3.1		30.3	
12 E.V. CRAC 2007 Trigger Freq.	0	0%	0	0%	1	3%	1	3%	72	38%
13 E.V. CRAC 2008 Trigger Freq.	11	10%	23	16%	51	29%	58	32%	87	44%
14 E.V. CRAC 2009 Trigger Freq.	19	11%	31	17%	48	26%	58	30%	42	22%
15 E.V. DDC 2007 Trigger Freq.	117	90%	34	40%	7	9%	76	74%	0	0%
16 E.V. DDC 2008 Trigger Freq.	225	69%	167	56%	105	38%	163	56%	83	27%
17 E.V. DDC 2009 Trigger Freq.	272	71%	208	61%	147	47%	190	59%	150	50%
18 E.V. 2009 PBL Reserves	853		868		881		780		759	

Notes:

- (1) E.V. = Expected Value
- (2) All rate deltas are related to the 1a. base rate.
- (3) Annual cap on CRAC is \$300M in all analyses here.
- (4) Annual cap on DDC is \$1.2B in all analyses here.
- (5) The expected value for starting PBL FY 2007 Reserves is \$913M in all analysis here.
- (6) * \$470M in FY 2007 and \$500M in FY 2008-09.



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Effects of Additional Liquidity from Power Bill Liquidity Program

Preliminary Estimates for Illustrative Purposes Only

	No cust. liquidity		\$50M of customer liquidity		\$100M of customer liquidity					
	1b.		2b.		2d: 2b with failure of cust. Liquidity		3b.		3d: 3b with failure of cust. Liquidity	
1 Customer Liquidity	0		50		0		100		0	
2 Liquidity reserve level	175		125		175		75		175	
3 Total need for Liquidity	175		175		175		175		175	
4 CRAC Threshold, in reserves	750		750		830		750		917	
5 DDC Threshold, in reserves	1,050		1,050		1,050		1,050		1,050	
6 PNRR	60		30		30		2		2	
7 Base rate			-0.6		-0.6		-1.2		-1.2	
8 E.V. 2007 Rate	-0.1		-0.7		-0.6		-1.3		-0.4	
9 E.V. 2008 Rate	-1.2		-1.5		-1.2		-1.8		-1.3	
10 E.V. 2009 Rate	-2.2		-2.3		-2.2		-2.4		-2.4	
11 E.V. 3-Yr Ave. Rate	-1.2		-1.5		-1.3		-1.8		-1.4	
12 E.V. CRAC 2007 Trigger Freq.	1	3%	1	3%	8	20%	1	3%	41	57%
13 E.V. CRAC 2008 Trigger Freq.	51	29%	57	31%	73	39%	62	33%	93	48%
14 E.V. CRAC 2009 Trigger Freq.	48	26%	56	29%	66	33%	64	32%	83	41%
15 E.V. DDC 2007 Trigger Freq.	7	9%	7	9%	7	9%	7	9%	7	9%
16 E.V. DDC 2008 Trigger Freq.	105	38%	95	34%	96	35%	87	32%	94	36%
17 E.V. DDC 2009 Trigger Freq.	147	47%	130	42%	134	44%	115	38%	132	44%
18 E.V. 2009 PBL Reserves	881		829		857		780		848	

Notes:

- (1) E.V. = Expected Value
- (2) All rate deltas are related to the 1b. base rate.
- (3) Annual cap on CRAC is \$300M in all analyses here.
- (4) Annual cap on DDC is \$1.2B in all analyses here.
- (5) The expected value for starting PBL FY 2007 Reserves is \$913M in all analysis here.