

Bonneville
POWER ADMINISTRATION



Bonneville Power Administration

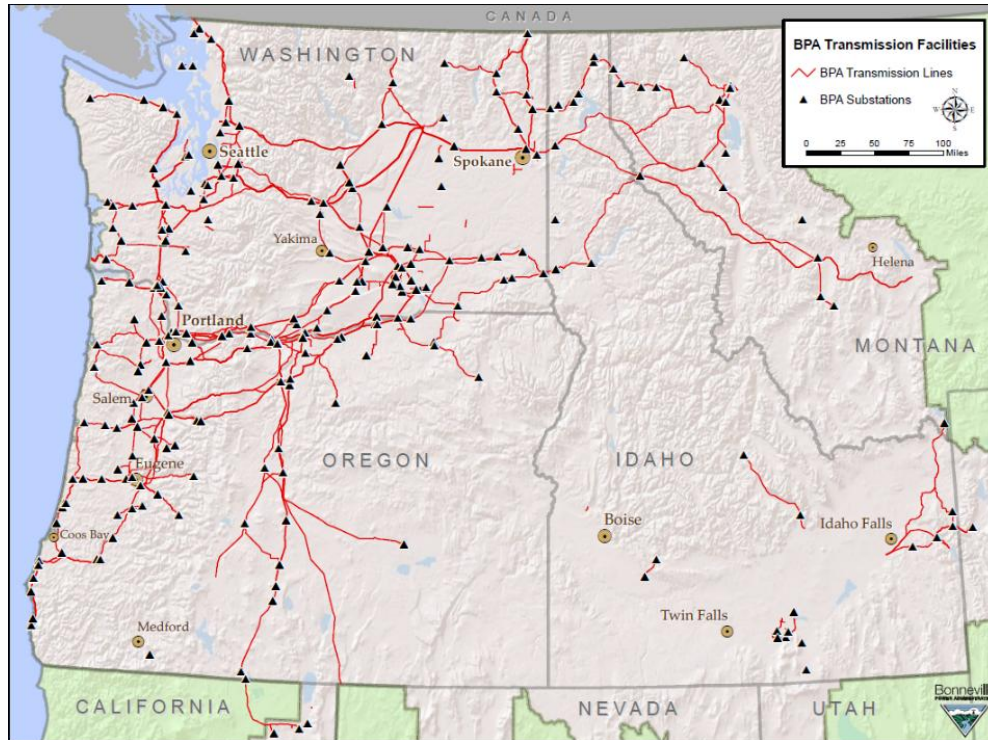
J.P. Morgan Public Finance
Transportation & Utility Investor Forum

March 18, 2026

BPA at a Glance

BPA invested a record-high \$1.08 billion in capital in FY2025, strengthening the Pacific Northwest's supply of low-cost, reliable and secure energy and transmission.

BPA Service Area Overview



Key BPA Statistics

33%

BPA share of electric power generated in the Pacific Northwest ("PNW")

\$38/MWh

BP-26 average effective Tier 1 rate

15,000+ mi

High-voltage transmission lines BPA services and maintains

8 states

BPA service territory spans over 300,000 sq. mi.

\$4.4 billion

FY2025 operating revenues

~135

Power Preference Customers with firm long-term contracts through 2044

Summary of Key Credit Strengths

BPA's fundamental credit strengths include access to multiple capital sources, a cost recovery mandate, priority of Non-Federal debt payments, and a long-term strategic financial plan.

Essential Service with Long-Term Customers	<ul style="list-style-type: none"> • Provides about 33% of the electricity generated in the region and operates and maintains more than 15,000 circuit miles of high-voltage transmission. • New Provider of Choice contracts were executed during Fiscal Year 2026. The new power sales contract will be a 19-year contract, providing 16 years of power deliveries through FY2044.
Funding Sources	<ul style="list-style-type: none"> • Self-financed through revenues earned from delivery of power and transmission services; not subject to government “shut down” due to a lapse in appropriations. • Access to capital through both Federal and Non-Federal sources.
Cost Recovery	<ul style="list-style-type: none"> • Required by law to establish rates to recover all costs. • FERC reviews rates to ensure compliance with statutory requirement for BPA to recover all costs through rates.
Priority of Payment and Financial Reserves	<ul style="list-style-type: none"> • Cash payments for Non-Federal debt are made before payments by BPA to the U.S. Treasury. • BPA maintains substantial cash and short-term investment balances in addition to a \$750 million U.S. Treasury line of credit.
Strategic Debt Management	<ul style="list-style-type: none"> • Sustainable Capital Financing Policy utilizing revenue financing with aim to improve BPA’s leverage position. • Demonstrated strong debt service coverage with Non-Federal debt service coverage ratio averaging 3.5x since 2023.

Recent Achievements and Ongoing Initiatives



1

PROVIDER OF CHOICE CONTRACTS

- New 19-year contracts were executed in Fiscal Year 2026. Services will begin in Fiscal Year 2029 with power deliveries through Fiscal Year 2044.

2

BP-26 RATE CASE

- BPA released the Administrator's final Record of Decision on July 24, 2025.
- Final rates include average increases of 8.9% for Power and 19.9% for Transmission. Rates went into effect October 1, 2025

3

DAY AHEAD MARKET PARTICIPATION

- In line with the May 2025 Policy Direction to pursue participation in the Southwest Power Pool's Markets+, BPA continues implementation efforts with a target go-live date in October 2028.

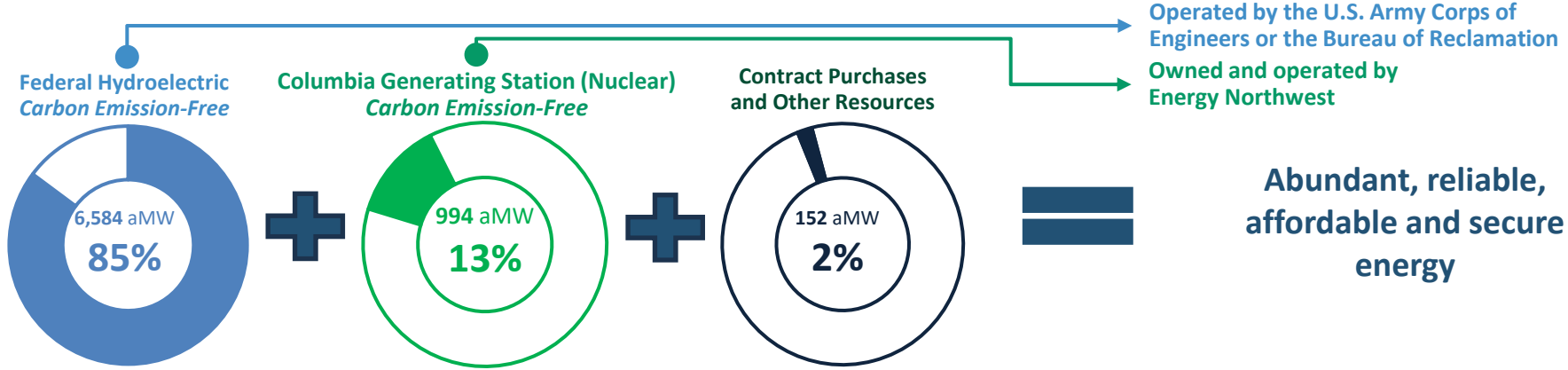
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TRANSMISSION EXPANSION








- Grid Access Transformation (GAT): Develop changes to BPA processes for evaluation and expansion of the Federal Columbia River Transmission System.
- Grid Expansion and Reinforcement Portfolio (GERP): Improve transmission capacity and reliability throughout the Northwest.

Power Generation Overview

BPA markets wholesale electrical power from 31 Federal hydroelectric dams in the Pacific Northwest, one Non-Federal nuclear plant, and several small Non-Federal power plants, and contracts, totaling 23,677 MW of capacity.



Select BPA Hydro Projects

						
Grand Coulee 33 Units 6,998 MW ¹	Chief Joseph 27 Units 2,614 MW ¹	John Day 16 Units 2,480 MW ¹	The Dalles 22 Units 2,080 MW ¹	Bonneville 18 Units 1,221 MW ¹	McNary 14 Units 1,120 MW ¹	Lower Monumental 6 Units 930 MW ¹

Note: 24 additional projects not pictured, 69 Units, 4,807 MW; 1 nuclear power plant, 1 Unit, 1,178 MW (rated capacity); totals on page may not add due to rounding.
¹Maximum Capacity. Source: 2025 Pacific Northwest Loads and Resources Study, Bonneville, April 2025. Reflects firm energy for operating year 2027*

Transmission Expansion

BPA is the largest high-voltage transmission provider in the Pacific Northwest. Transmission Services has embarked on two major initiatives to evaluate and expand the Federal Columbia River Transmission System and improve transmission capacity and reliability throughout the region.

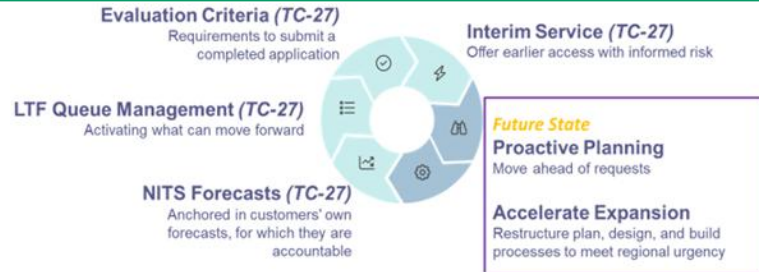
Grid Access Transformation (GAT) & Generation Interconnection (GI)

Evaluate and expand the Federal Columbia River Transmission System

To meet customer demands for grid interconnection, driven by the development of new power generation projects.

Replace the first-come, first-served serial process for processing large generator interconnection requests with a first-ready, first-served cluster study process.

Bonneville generally employs a cluster approach wherein it aggregates pending requests for transmission service to study and evaluate the new transmission facilities that it would have to construct to provide that service.



Grid Expansion and Reinforcement Portfolio (GERP)

Improve transmission capacity and reliability throughout the Northwest

To support regional load growth, reliability needs and commercial transmission service requests.

Approximately 23 major individual projects ranging from upgrades and rebuilds to new substations and transmission lines.

Estimated over \$5 billion in infrastructure investment through 2035.



GERP 1.0 (blue)
10 projects

GERP 2.0 (black)
13 projects

Fiscal Year 2024-2025 Financial Results

Under BPA's Financial Reserves Policy, rate mechanisms triggered based on FY2024 and FY2025 results, driving reserves back toward policy thresholds. BPA is currently reviewing its liquidity risk policies and will be engaging with customers in FY2026.

- 42nd consecutive Treasury payment was made in full and on time at the end of FY2025. BPA expects to make its 43rd consecutive payment at the end of FY2026.
- Low FY2025 revenue resulted in Power Reserves falling below the policy threshold, triggering a surcharge that is in effect from December 2025 through September 2026.

Select FY2024 Financial Results¹

Total Operating Revenues	\$4.6 billion <ul style="list-style-type: none"> • Includes \$165m rate reduction from FY2023 Power RDC
Net Operating Revenues	\$212 million
FYE RAR	\$823 million <ul style="list-style-type: none"> • \$507m Power Services' RAR • \$316m Transmission Services' RAR
Financial Reserves Policy – RDC	Transmission \$83 million
FYE DCOH	116 Days

Select FY2025 Financial Results¹

Total Operating Revenues	\$4.4 billion
Net Operating Revenues	\$188 million
FYE RAR	\$489 million <ul style="list-style-type: none"> • \$270m Power Services' RAR • \$219m Transmission Services' RAR
Financial Reserves Policy – Surcharge	Power average effective rate increase of 2.2%
FYE DCOH	64 Days

¹Figures are rounded

Historical Debt Service Coverage¹

BPA's Non-Federal payment obligations are made before any other payments, resulting in strong Non-Federal Debt Service Coverage Ratios that have averaged 3.5x over the last three years.

<i>(\$ millions, excluding ratios)</i>	FY2023	FY2024	FY2025
Total Operating Revenues ² (A)	\$4,248	\$4,569	\$4,368
Total Operating Expenses ³ (B)	\$2,848	\$2,992	\$2,779
Funds Available to meet Non-Federal Debt Service [(A)-(B)=(C)]	\$1,400	\$1,577	\$1,589
Non-Federal Debt Service (D)	\$390	\$588	\$376
Non-Federal Debt Service Coverage Ratio [(C)/(D)=(E)]	3.6x	2.7x	4.2x
Scheduled Treasury Payments (F)	\$596	\$598	\$602
Advanced Treasury Payments (G)	\$426	\$194	\$596
Total Treasury Payment [(F)+(G)=(H)]	\$1,022	\$792	\$1,198

Advanced Treasury Payments are paid with additional cash in the Bonneville Fund resulting from the second phase of the Regional Cooperation Debt program with Energy Northwest, Lease-Purchase Program refinancing, and the prior fiscal year RDC.

¹This information is presented in Official Statements for BPA-backed, Non-Federal bond issuances. BPA's audited financial statements do not include a similar table.

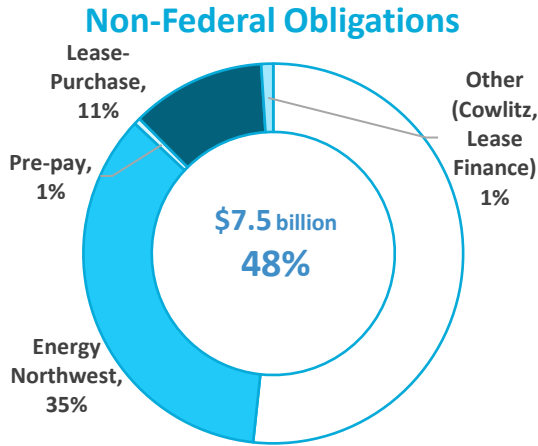
² Reflects rate reductions from excess reserves under BPA's Power and Transmission Reserves Distribution Clauses.

³ Operating Expenses include the following items from the Federal System Statement of Revenues and Expenses: BPA O&M, Purchased Power, Non-Federal entities O&M-net billed, Non-Federal entities O&M non-net-billed, and the Residential Exchange Program. Operating Expenses do not include certain payments to the Corps and Reclamation.

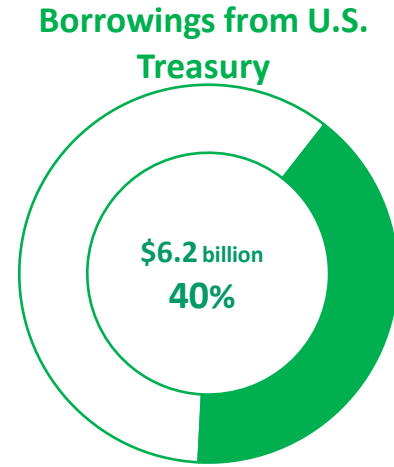
Debt Outstanding & Payment Obligations

\$15.5 billion outstanding as of 9/30/25

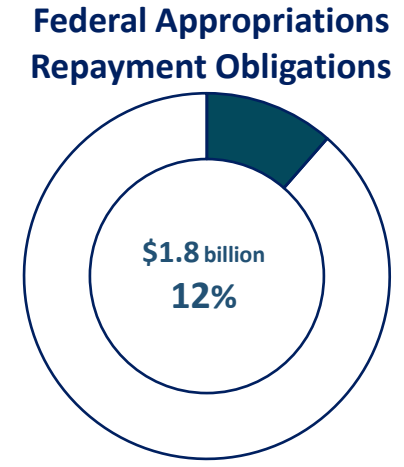
BPA must first fulfill its Non-Federal Debt Obligations prior to the repayment of U.S. Treasury borrowings and Federal appropriation obligations.



Energy Northwest: \$5,479 million
 Pre-pay: \$86 million
 Lease-Purchase: \$1,773 million
 Other: \$157 million



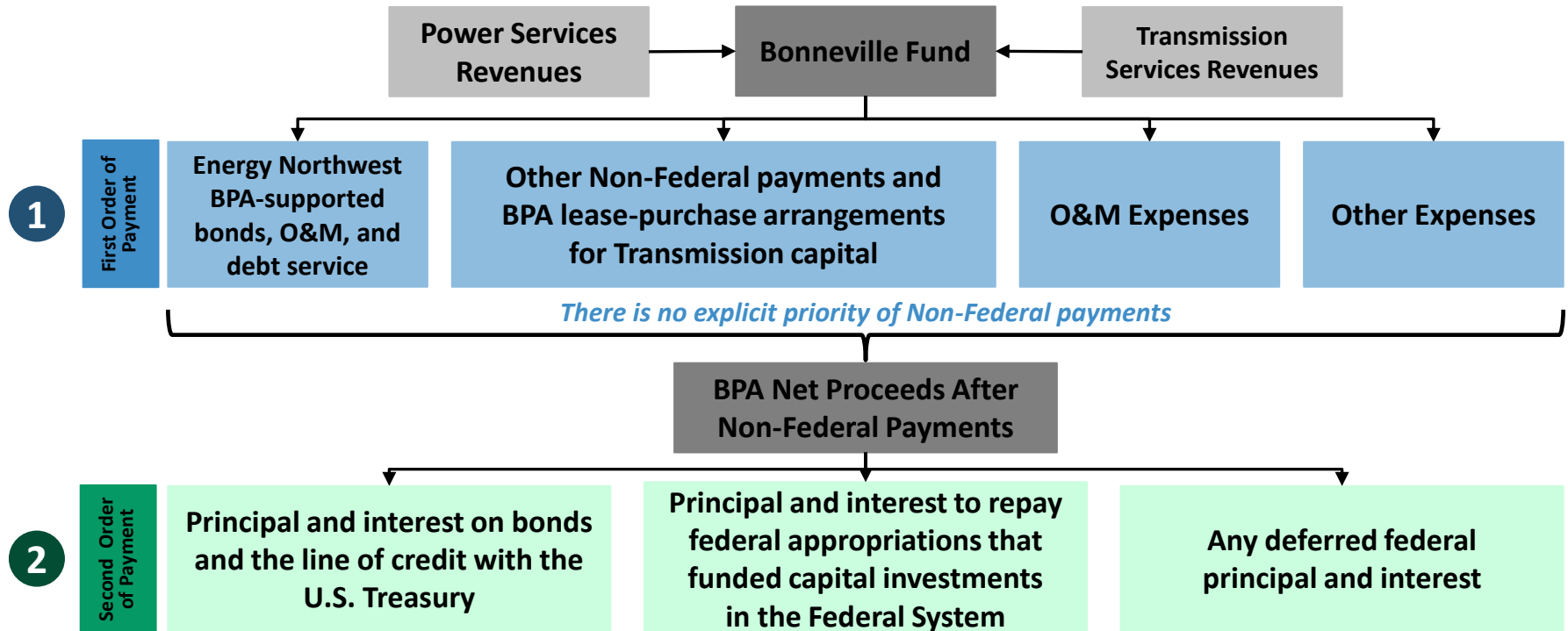
Current authorized borrowing authority of \$13.7 billion, increasing to \$17.7 billion in FY2028. Facility is revolving.



BPA repays amounts that have been appropriated by Congress to our federal partners for capital investments in the Federal System.

Priority of Payments

BPA's payments to the U.S. Treasury are made only from net proceeds after all costs, including debt service on BPA supported bonds, have been met.



Wildfire Risk Mitigation

BPA employs an integrated vegetation management program that complies with the North American Electric Reliability Corporation (NERC) Standard FAC-003 to help keep transmission lines free and clear of brush and trees.

Tiered Approach

System Hardening: Annual work plans consider the risk of fire and the environmental restrictions associated with threatened and endangered species.

Situational Awareness Monitoring: Enhanced weather monitoring and forecasting; asset management tools used to understand criticality, health & risk.

Wildfire Season: Utilize enhanced protection and control settings.

Extreme Risk Days: Stand up Public Safety Power Shutoff (“PSPS”) decision making team.

Activate PSPS: As a last resort, BPA triggers the PSPS.

Wildfire Liability

Tort Claims: All settlements or court judgments from tort claims are paid by the U.S. Judgment Fund, not the Bonneville Fund.

Other Claims: In 2023, the U.S. Department of Justice was served with an inverse condemnation complaint filed in the U.S. Court of Federal Claims in Washington DC. Bonneville is unable to predict with certainty whether any settlements or judgments arising from this suit would be paid from the U.S. Judgment Fund or the Bonneville Fund. Although Bonneville does not have a track record with source of payment for any past inverse condemnation settlements or judgments, similar suits against other federal agencies have been paid from the Judgment Fund, and the U.S. Treasury has indicated the Judgment Fund would be available to pay settlements or judgments arising from this case.



Managing Cyber & Physical Asset Security

BPA is focused on preparedness to withstand growing risk factors related to cyber security and physical security.

Cyber Security

Implementation and monitoring of real-time cyber security controls by a permanent, full-time team; coordination with other federal government agencies.

Subject to mandatory NERC reliability standards including Critical Infrastructure Protection Standards.

24x7 Cyber security Operation and Analysis Center.

Redundant system control centers, geographically separated.

Physical Asset Security

Strategy in place to deter, detect, delay, assess, communicate, and respond to security-related events.

Subject to DOE and NERC standards to protect critical assets.

Action: physical hardening; contract security officers; systems for physical access control, intrusion detection, and video surveillance.

Permanent, full-time team dedicated to monitoring threats; coordination with local, state, and federal government agencies.



Upcoming Transactions¹

- Energy Northwest issuance (Series 2026-A) of approximately \$1,110,000,000 is currently expected to price on or about May 6, 2026.
- The Series 2026-A Bonds are being issued for the purpose of refunding certain Electric Revenue Bonds issued by Energy Northwest. In addition, the Columbia 2026-A Bonds are being issued to finance certain additions and improvements to the Columbia Generating Station.
- Approximately \$1,110,000,000 in tax-exempt bonds are anticipated to amortize between 2027 – 2043.
- The banking syndicate includes J.P. Morgan, Wells Fargo, and Bank of America.



- Port of Morrow (Port) issuance of approximately \$110,000,000 in taxable bonds are currently expected to price in July 2026.
- Bond proceeds are expected to pay off existing Port and Idaho Energy Resources Authority debt and extend maturities to align with the useful lives of the underlying assets.

¹Preliminary, subject to change; when, as, and if issued. There is no guarantee that all or a portion of the Bonds will be offered, sold or issued.

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Energy Northwest: Base CUSIP 29270C

Port of Morrow, Oregon: Base CUSIP 73474T

Idaho Energy Resources Authority: Base
CUSIP 451174