

Quarterly Business Review (QBR)

**August 2, 2016
10:00 am – 11:35 am
Rates Hearing Room**

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WebEx Meeting

Meeting Number: 996 384 099
Meeting Password: mSuVj32

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Time	Min	Agenda Topic	Slide	Presenter
10:00	5	Review Agenda	2	Mary Hawken
10:05	15	CFO Spotlight	~	Javier Fernandez
Financial Highlights				
10:20	30	<ul style="list-style-type: none"> ▪ Review of 3rd Quarter Financial Results ▪ Review of 3rd Quarter Forecast 	3-14	Mary Hawken, Cheryl Hargin, Danny Chen, Stephanie Adams, Will Rector
10:50	5	<ul style="list-style-type: none"> ▪ Accumulated Calibrated Net Revenue ▪ Reserves 	15-17	Zach Mandell, Damen Bleiler
10:55	10	Review of 3rd Quarter Capital Financial Results & Forecast	18-21	Kathy Rehmer, Stephanie Adams
11:05	5	Capital Project Status Report	22-26	Dennis Naef
11:10	10	Slice Reporting	27-32	Sunny Donato, Janice Johnson
Other BPA Topics				
11:20	15	FY 2015 Cost Verification Process Follow-Up: EE Reimbursable Steps	33-39	Sunny Donato, Janice Johnson, Will Rector
11:35	~	Adjourn	~	~

Financial Highlights



Financial Overview for FY 2016 through June 30, 2016

FCRPS

- The 3rd Quarter Review End-of-Year (EOY) Adjusted Net Revenue forecast is \$(62) million, a \$19 million decrease from the 2nd Quarter Forecast, a \$200 million decrease from the Start of Year (SOY) budget and a \$214 million decrease from the rate case.
 - The Second Quarter forecast of Adjusted Net Revenue was \$(43) million, the SOY budget was \$138 million and the Rate Case forecast was \$152 million.

Power Services

- The 3rd Quarter Review EOY forecast for Power Modified Net Revenues is \$(168) million, a \$18 million decrease from the 2nd Quarter Forecast, a \$207 million decrease from SOY budget and a \$210 million decrease from the Rate Case.
 - Power's Modified Net Revenue for the Second Quarter Forecast is \$(150) million, the SOY Budget is \$39 million and the Rate Case forecast is \$42 million.
 - The revenue forecast for the Third Quarter Review is \$35 million lower than the Second Quarter Forecast primarily due to lower surplus sales and priority firm power sales. The loss in secondary sales is largely due to a decline in the water supply, which was partially offset by higher market prices. Priority firm revenues are lower due to warmer-than-average weather, which has reduced load shaping and demand revenues.
 - The expense forecast for the Third Quarter Review is \$17 million lower than the Second Quarter primarily due to delays in non-routine maintenance at the COE and BOR, lower transmission acquisition, interest expense and non-generation operation expense. Lower expenses were offset by higher power purchases, EE and Colville Settlement Payment.

Financial Overview for FY 2016 through June 30, 2016

Transmission Services

- The 3rd Quarter Review EOY forecast for Transmission Net Revenue is \$106 million, a \$1 million decrease from the 2nd Quarter Forecast, a \$6 million increase from the SOY budget and a \$4 million decrease from the rate case.
 - Transmission Net Revenue for the Second Quarter Forecast was \$107 million, the SOY Budget was \$100 million and the Rate Case forecast was \$110 million.
 - The revenue forecast for the Third Quarter Review is \$3 million below the 2nd Quarter Forecast due to a reduction in forecast for long-term reservations and short-term reservations due to the low water supply.
 - The expense forecast for the Third Quarter Review is \$2 million lower than the 2nd Quarter Forecast due to reduction in forecast for non-wires expense for FY 2016 since budget will be carried forward to FY 2017. This is partially offset by an increase in the interest forecast.

3rd Quarter Review – Executive Highlights

(\$ in Millions)

	A	B	C
	FY 2015 Actuals ^{/2}	FY 2016 Start of Year ^{/2}	FY 2016 Current Quarter Review ^{/2}
1. Revenues ^{/1}	3,449	3,613	3,471
2. Expenses ^{/1}	3,044	3,725	3,225
3. Net Revenues (Expenses) ^{/1,3}	405	(113)	245 ^{/7}
4. Adjusted Net Revenues ^{/4}	143	138	(62) ^{/7}
5. End of Year Financial Reserves ^{/5}	1,187	948	765 ^{/7}
6. BPA Accrued Capital Expenditures ^{/6}	647	814	531

Footnotes

<1 The actuals for Revenues, Expenses and Net Revenues are audited.

<2 Does not reflect power "bookout" transactions.

<3 Net revenues include the effects of non-federal debt management. An example of non-federal debt management is the refinancing of EN debt.

<4 Adjusted Net Revenues are calculated by adding Power Services Modified Net Revenues and Transmission Services Net Revenues.

<5 Financial reserves consist of BPA cash, investments in U.S. Treasury market-based special securities and deferred borrowing.

<6 Funded by borrowing from the U.S. Treasury.

<7 There is significant uncertainty regarding the potential results that could occur by the end of the year, mainly a result of water conditions, which may affect net secondary sales, and short-term market prices.

FY 2016 Third Quarter Financial Results & Third Quarter Forecast



Report ID: 0023FY16

Transmission Services Summary Statement of Revenues and Expenses

Run Date/Time: July 19, 2016/ 11:02

Requesting BL: TRANSMISSION BUSINESS UNIT

Through the Month Ended June 30, 2016

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 75%

	FY 2015		FY 2016			FY 2016
	Actuals: FYTD	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals: FYTD
Operating Revenues						
1 Sales	\$ 680,480	\$ 902,568	\$ 933,410	\$ 913,193	\$ 909,179	\$ 681,225
2 Miscellaneous Revenues	24,379	34,265	39,042	48,448	48,429	40,229
3 Inter-Business Unit Revenues	78,973	100,136	121,422	121,404	113,052	93,251
4 Total Operating Revenues	783,832	1,036,969	1,093,874	1,083,046	1,070,660	814,705
Operating Expenses						
5 Transmission Operations	96,645	133,793	155,274	163,471	142,509	105,643
6 Transmission Maintenance	114,844	166,157	162,552	153,719	156,225	108,818
7 Transmission Engineering	41,384	57,251	54,421	53,906	54,404	36,609
8 Trans Services Transmission Acquisition and Ancillary Services	113,926	142,514	141,447	142,834	138,189	98,736
9 Transmission Reimbursables	7,116	10,641	9,641	8,227	7,777	11,844
BPA Internal Support						
10 Additional Post-Retirement Contribution	14,114	18,819	19,143	19,143	16,440	14,357
11 Agency Services G&A	44,859	64,371	62,895	73,276	72,452	52,022
12 Other Income, Expenses & Adjustments	(158)	(161)	(2,100)	(12,252)	1,328	1,327
13 Depreciation & Amortization	166,702	223,795	240,022	240,022	240,022	180,538
14 Total Operating Expenses	599,433	817,180	843,294	842,346	829,346	609,894
15 Net Operating Revenues (Expenses)	184,400	219,789	250,579	240,700	241,314	204,811
Interest Expense and (Income)						
16 Interest Expense	127,637	171,316	193,167	193,167	169,136	125,350
17 AFUDC	(32,555)	(44,553)	(42,886)	(42,886)	(29,000)	(25,200)
18 Interest Income	(4,562)	(6,364)	(9,197)	(9,197)	(5,158)	(2,798)
19 Net Interest Expense (Income)	90,520	120,399	141,083	141,083	134,978	97,353
20 Net Revenues (Expenses)	\$ 93,879	\$ 99,390	\$ 109,496	\$ 99,616	\$ 106,336	\$ 107,458

<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.

Report ID: 0023FY16

Requesting BL: TRANSMISSION BUSINESS UNIT

Unit of Measure: \$ Thousands

QBR Forecast Analysis: Transmission Services

Through the Month Ended June 30, 2016

Preliminary/ Unaudited

Run Date/Time: July 19, 2016/ 11:02

Data Source: EPM Data Warehouse

% of Year Elapsed = 75%

		A	B	C
		FY 2016		FY 2016
		2nd Quarter Forecast	Current EOY Forecast	Current EOY Forecast - 2nd Quarter Forecast
Operating Revenues				
1	Sales	\$ 909,763	\$ 909,179	\$ (584)
2	Miscellaneous Revenues	45,660	48,429	2,768
3	Inter-Business Unit Revenues	118,624	113,052	(5,572)
4	Total Operating Revenues	1,074,047	1,070,660	(3,388)
Operating Expenses				
5	Transmission Operations	144,703	142,509	(2,194)
6	Transmission Maintenance	153,773	156,225	2,452
7	Transmission Engineering	56,611	54,404	(2,207)
8	Trans Services Transmission Acquisition and Ancillary Services	139,306	138,189	(1,117)
9	Transmission Reimbursables	7,903	7,777	(127)
BPA Internal Support				
10	Additional Post-Retirement Contribution	16,440	16,440	-
11	Agency Services G&A	71,577	72,452	876
12	Other Income, Expenses & Adjustments	2,796	1,328	(1,468)
13	Depreciation & Amortization	240,022	240,022	-
14	Total Operating Expenses	833,131	829,346	(3,785)
15	Net Operating Revenues (Expenses)	240,916	241,314	398
Interest Expense and (Income)				
16	Interest Expense	176,145	169,136	(7,009)
17	AFUDC	(37,800)	(29,000)	8,800
18	Interest Income	(4,835)	(5,158)	(323)
19	Net Interest Expense (Income)	133,510	134,978	1,468
20	Net Revenues (Expenses)	\$ 107,407	\$ 106,336	\$ (1,071)

Report ID: 0063FY16

Transmission Services Revenue Detail by Product

Run Date/Time: July 18, 2016 14:13

Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended June 30, 2016

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 75%

		A	B	C	D
		FY 2016			FY 2016
		Rate Case	SOY Budget	Current EOY Forecast	Actuals
Transmission Services Operating Revenues					
NETWORK					
1	PTP - LONG TERM	\$ 471,281	\$ 456,562	\$ 452,817	\$ 337,707
2	NETWORK INTEGRATION	132,025	132,025	129,566	99,347
3	INTEGRATION OF RESOURCES	5,714	5,714	5,714	4,285
4	FORMULA POWER TRANSMISSION	19,352	19,300	19,099	14,348
5	PTP - SHORT TERM	26,053	17,676	21,387	21,129
6	TOTAL: NETWORK	654,423	631,276	628,583	476,816
ANCILLARY SERVICES					
7	SCHEDULING, SYSTEM CONTROL & DISPATCH	152,110	147,343	145,490	110,256
8	OPERATING RESERVES - SPIN & SUPP	48,952	51,622	49,267	35,427
9	VARIABLE RES BALANCING	58,735	62,595	59,432	44,769
10	REGULATION & FREQ RESPONSE	6,241	6,241	6,335	4,521
11	ENERGY & GENERATION IMBALANCE	-	3,175	3,794	2,934
12	DISPATCHABLE RES BALANCING	2,450	1,467	1,375	992
13	TOTAL: ANCILLARY SERVICES	268,487	272,442	265,692	198,898
INTERTIE					
14	SOUTHERN INTERTIE LONG TERM	87,661	87,606	87,361	65,797
15	SOUTHERN INTERTIE SHORT TERM	4,812	4,564	2,373	1,689
16	MONTANA INTERTIE LONG TERM	115	115	115	86
17	MONTANA INTERTIE SHORT TERM	-	-	89	99
18	TOTAL: INTERTIE	92,588	92,285	89,937	67,671

Report ID: 0063FY16	Transmission Services Revenue Detail by Product	Run Date/Time: July 18, 2016 14:13
Requesting BL: TRANSMISSION BUSINESS UNIT	Through the Month Ended June 30, 2016	Data Source: EPM Data Warehouse
Unit of Measure: \$ Thousands	Preliminary/ Unaudited	% of Year Elapsed = 75%

	A	B	C	D	
	FY 2016			FY 2016	
	Rate Case	SOY Budget	Current EOY Forecast	Actuals	
OTHER REVENUES & CREDITS					
19	TOWNSEND-GARRISON TRANS	\$ 12,421	\$ 12,421	\$ 12,335	\$ 9,222
20	GEN INTEGRATION - OTHER REV	12,142	12,142	12,142	9,845
21	USE OF FACILITIES	5,018	5,077	5,066	3,798
22	POWER FACTOR PENALTY	-	-	-	15
23	NFP - DEPR PNW PSW INTERTIE	3,325	3,374	3,378	2,541
24	AC - PNW PSW INTERTIE - OTH REV	1,695	1,775	1,775	1,352
25	OPERATIONS & MAINT - OTHER REV	958	890	877	656
26	COE & BOR PROJECT REV	-	-	-	()
27	RESERVATION FEE - OTHER REV	2,609	1,810	3,376	3,748
28	TRANSMISSION SHARE IRRIGATION	246	246	266	237
29	LAND LEASES AND SALES	295	295	312	272
30	OTHER LEASES REVENUE	105	105	83	82
31	REMEDIAL ACTION - OTHER REV	41	41	25	18
32	MISC SERVICES - LOSS-EXCH-AIR	168	168	118	135
33	OVERSUPPLY	-	-	-	-
34	FAILURE TO COMPLY - OTHER REV	-	-	152	177
35	UNAUTHORIZED INCREASE - OTH REV	-	-	255	263
36	OTHER REVENUE SOURCES	5,132	14,478	9,289	8,139
37	TOTAL: OTHER REVENUES & CREDITS	44,154	52,822	49,450	40,500
FIBER & PCS					
38	FIBER OTHER REVENUE	8,564	8,564	9,166	6,675
39	WIRELESS/PCS - OTHER REVENUE	4,629	4,629	5,112	2,621
40	WIRELESS/PCS - REIMBURSABLE REV	3,127	3,127	3,826	2,992
41	FIBER OTHER REIMBURSABLE REV	817	817	1,112	786
42	TOTAL: FIBER & PCS	17,136	17,136	19,217	13,073
REIMBURSABLE					
43	REIMBURSABLE - OTHER REVENUE	12,000	12,000	13,444	14,525
44	ACCRUAL REIMBURSABLE	-	-	-	-
45	TOTAL: REIMBURSABLE	12,000	12,000	13,444	14,525
DELIVERY					
46	UTILITY DELIVERY CHARGES	2,451	2,451	2,427	1,791
47	DSI DELIVERY	2,633	2,633	1,909	1,431
48	TOTAL: DELIVERY	5,084	5,084	4,336	3,222
49	TOTAL: Transmission Services Operating Revenues	\$ 1,093,874	\$ 1,083,046	\$ 1,070,660	\$ 814,705

Report ID: 0021FY16
 Requesting BL: POWER BUSINESS UNIT
 Unit of measure: \$ Thousands

Power Services Summary Statement of Revenues and Expenses
 Through the Month Ended June 30, 2016
 Preliminary/ Unaudited

Run Date/Time: July 19, 2016 11:02
 Data Source: EPM Data Warehouse
 % of Year Elapsed = 75%

		FY 2015		FY 2016			FY 2016
		Actuals: FYTD	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals: FYTD
Operating Revenues							
1	Gross Sales (excluding bookout adjustment) <Note 2	\$ 1,886,226	\$ 2,399,397	\$ 2,522,140	\$ 2,518,204	\$ 2,398,305	\$ 1,835,672
2	Bookout Adjustment to Sales	(31,177)	(44,504)	-	-	(18,937)	(18,937)
3	Miscellaneous Revenues	20,773	30,389	37,541	37,140	28,990	21,293
4	Inter-Business Unit	96,117	121,260	115,750	121,164	117,425	87,285
5	U.S. Treasury Credits	62,960	82,316	95,707	95,707	85,941	63,780
6	Total Operating Revenues	2,034,899	2,588,858	2,771,138	2,772,215	2,611,725	1,989,093
Operating Expenses							
Power System Generation Resources							
Operating Generation Resources							
7	Columbia Generating Station	261,043	318,231	262,948	261,448	258,248	172,442
8	Bureau of Reclamation	93,234	134,284	156,818	155,318	137,614	89,467
9	Corps of Engineers	165,081	230,742	243,885	242,885	237,919	165,418
10	Long-term Contract Generating Projects	19,537	26,074	22,303	22,601	20,559	16,321
11	Operating Generation Settlement Payment	13,089	18,555	19,323	19,323	19,323	12,583
12	Non-Operating Generation	1,067	1,126	1,600	1,600	1,240	982
13	Gross Contracted Power Purchases and Aug Power Purchases	73,694	120,968	48,400	48,515	126,788	102,870
14	Bookout Adjustment to Power Purchases	(31,177)	(44,504)	-	-	(18,937)	(18,937)
15	Residential Exchange/IOU Settlement Benefits <Note 2	158,509	200,265	218,975	219,100	219,100	169,600
16	Renewables	24,486	31,464	40,987	38,973	38,197	27,804
17	Generation Conservation	28,802	43,432	136,649	135,495	129,520	81,168
18	Subtotal Power System Generation Resources	807,365	1,080,637	1,151,888	1,145,258	1,169,571	819,177
19	Power Services Transmission Acquisition and Ancillary Services	124,513	160,065	186,998	191,117	183,469	139,224
20	Power Non-Generation Operations	55,483	77,154	96,542	92,215	81,872	56,953
21	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	207,571	298,978	310,539	310,539	313,144	221,825
BPA Internal Support							
22	Additional Post-Retirement Contribution	14,114	18,819	19,143	19,143	17,743	14,357
23	Agency Services G&A	39,218	55,693	53,138	58,661	62,426	43,744
24	Other Income, Expenses & Adjustments	(27,670)	(27,799)	(97,577)	(20,000)	383	383
25	Non-Federal Debt Service	133,179	188,159	594,308	594,308	218,427	169,307
26	Depreciation & Amortization	169,389	224,188	222,551	222,551	227,551	170,264
27	Total Operating Expenses	1,523,163	2,075,895	2,537,530	2,613,792	2,274,586	1,635,774
28	Net Operating Revenues (Expenses)	511,736	512,963	233,608	158,423	337,138	353,319
Interest Expense and (Income)							
29	Interest Expense	163,609	218,861	214,027	214,027	206,725	154,362
30	AFUDC	(7,232)	(8,664)	(10,731)	(10,731)	(8,600)	(6,072)
31	Interest Income	(5,892)	(8,981)	(11,961)	(11,961)	(8,063)	(4,920)
32	Net Interest Expense (Income)	150,485	201,216	191,336	191,336	190,062	143,370
33	Net Revenues (Expenses)	\$ 361,250	\$ 311,747	\$ 42,272	\$ (32,913)	\$ 147,076	\$ 209,949
34	Net Revenue Modifications <Note 3	(171,846)	(268,562)	-	71,542	(315,142)	(236,492)
35	Power Modified Net Revenue	\$ 189,405	\$ 43,185	\$ 42,272	\$ 38,629	\$ (168,065)	\$ (26,543)

<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 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefit payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.

<3 In 2016, the scope of PMNR is broadened to include a revenue requirement adjustment that enables the use of cash to assist with the transition of the Energy Efficiency program costs from capital to expense. PMNR is a non-GAAP metric.

Report ID: 0021FY16

QBR Forecast Analysis: Power Services

Run Date/Time: July 19, 2016 11:02

Requesting BL: POWER BUSINESS UNIT Through the Month Ended June 30, 2016

Data Source: EPM Data Warehouse

Unit of measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 75%

	FY 2016		FY 2016
	A	B	C
	2nd Quarter Forecast	Current EOY Forecast	Current EOY Forecast - 2nd Quarter Forecast
Operating Revenues			
1 Gross Sales (excluding bookout adjustment) <Note 2	\$ 2,426,211	\$ 2,398,305	\$ (27,906)
2 Bookout Adjustment to Sales	(13,653)	(18,937)	(5,284)
3 Miscellaneous Revenues	30,462	28,990	(1,472)
4 Inter-Business Unit	118,081	117,425	(656)
5 U.S. Treasury Credits	85,727	85,941	214
6 Total Operating Revenues	2,646,828	2,611,725	(35,103)
Operating Expenses			
Power System Generation Resources			
Operating Generation Resources			
7 Columbia Generating Station	259,848	258,248	(1,600)
8 Bureau of Reclamation	145,318	137,614	(7,704)
9 Corps of Engineers	242,885	237,919	(4,966)
10 Long-term Contract Generating Projects	21,408	20,559	(848)
11 Operating Generation Settlement Payment	17,496	19,323	1,827
12 Non-Operating Generation	1,600	1,240	(360)
13 Gross Contracted Power Purchases and Aug Power Purchases	110,434	126,788	16,354
14 Bookout Adjustment to Power Purchases	(13,653)	(18,937)	(5,284)
15 Residential Exchange/IOU Settlement Benefits <Note 2	219,100	219,100	-
16 Renewables	38,811	38,197	(614)
17 Generation Conservation	128,421	129,520	1,099
18 Subtotal Power System Generation Resources	1,171,666	1,169,571	(2,095)
19 Power Services Transmission Acquisition and Ancillary Services	188,524	183,469	(5,055)
20 Power Non-Generation Operations	86,373	81,872	(4,502)
21 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	315,506	313,144	(2,362)
BPA Internal Support			
22 Additional Post-Retirement Contribution	17,743	17,743	-
23 Agency Services G&A	61,773	62,426	653
24 Other Income, Expenses & Adjustments	1,001	383	(618)
25 Non-Federal Debt Service	219,054	218,427	(627)
26 Depreciation & Amortization	226,551	227,551	1,000
27 Total Operating Expenses	2,288,191	2,274,586	(13,605)
28 Net Operating Revenues (Expenses)	358,636	337,138	(21,498)
Interest Expense and (Income)			
29 Interest Expense	207,100	206,725	(375)
30 AFUDC	(8,700)	(8,600)	100
31 Interest Income	(4,599)	(8,063)	(3,464)
32 Net Interest Expense (Income)	193,801	190,062	(3,739)
33 Net Revenues (Expenses)	\$ 164,835	\$ 147,076	\$ (17,759)
34 Net Revenue Modifications <Note 3	(315,142)	(315,142)	-
35 Power Modified Net Revenue	\$ (150,307)	\$ (168,065)	\$ (17,759)

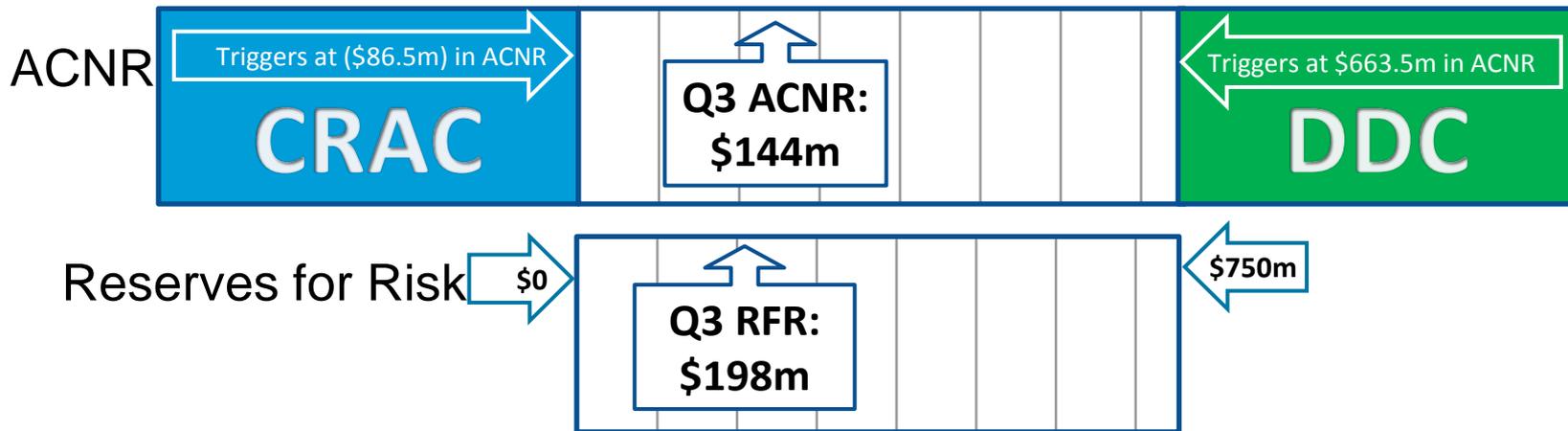
Report ID: 0064FY16 **Power Services Detailed Statement of Revenues by Product** Run Date/Time: July 18, 2016 14:12
 Requesting BL: POWER BUSINESS UNIT Through the Month Ended June 30, 2016 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands Preliminary/ Unaudited % of Year Elapsed = 75%

		FY 2016		FY 2016	FY 2016
		Rate Case	SOY Budget	Actuals	Actuals per Rate Case
Operating Revenues					
Gross Sales (excluding bookout adjustment)					
PF Tier 1 Revenues					
Load Following					
1	Composite	\$ 1,131,520	\$ 1,131,520	\$ 842,100	74%
2	Non-Slice	(168,212)	(168,212)	(125,187)	74%
3	Load Shaping	5,616	5,616	(26,183)	-566%
4	Demand	47,946	47,946	29,765	62%
5	Discounts / Fees	(53,103)	(53,103)	(30,688)	58%
6	RSS / RSC	1,095	1,095	(1,015)	-193%
7	REP Refund	(33,152)	(33,152)	(24,871)	75%
8	Other	-	-	-	0%
9	Sub-Total: Load Following	931,711	931,711	663,921	71%
Block					
10	Composite	637,173	637,173	472,166	74%
11	Non-Slice	(94,723)	(94,723)	(70,192)	74%
12	Load Shaping	(1,576)	(1,576)	5,578	-454%
13	Demand	-	-	-	0%
14	Discounts / Fees	(5,693)	(5,693)	(2,227)	39%
15	RSS / RSC	-	-	-	0%
16	REP Refund	(21,493)	(21,493)	(15,801)	74%
17	Other	3,877	3,877	3,908	101%
18	Sub-Total: Block	517,566	517,566	393,432	76%
Slice					
19	Composite	658,897	658,897	494,173	75%
20	Slice	-	-	-	0%
21	Discounts / Fees	(3,216)	(3,216)	(2,470)	77%
22	REP Refund	(21,892)	(21,892)	(16,732)	76%
23	Other	-	-	-	0%
24	Sub-Total: Slice	633,789	633,789	474,971	75%
25	PF Tier 2 Revenues	22,866	22,866	16,911	74%
26	NR Revenues	356	356	8	2%
27	IP Revenues	33,509	32,049	15,102	45%
28	FPS Revenues	346,092	345,964	235,412	68%
29	Other Revenues	36,253	33,904	35,916	99%
30	Gross Sales (excluding bookout adjustment)	2,522,140	2,518,204	1,835,672	73%
31	Bookout Adjustment to Sales	-	-	(18,937)	0%
32	Miscellaneous Revenues	37,541	37,140	21,293	57%
33	Inter-Business Unit	115,750	121,164	87,285	75%
34	U.S. Treasury Credits	95,707	95,707	63,780	67%
35	Total Operating Revenues	2,771,138	2,772,215	1,989,093	72%

FY 2016 Calibrations and ACNR

The CRAC and DDC trigger based off of Accumulated Calibrated Net Revenue (ACNR), which is *Accumulated* from the start of FY 2015. **FY 2016 Q3 Forecast ACNR is \$143.5m*.**

Forecast ACNR is above the CRAC threshold and below the DDC threshold. The modeled probability of the CRAC triggering at the end of FY16 is 0%. The modeled probability of the DDC triggering is 0%.



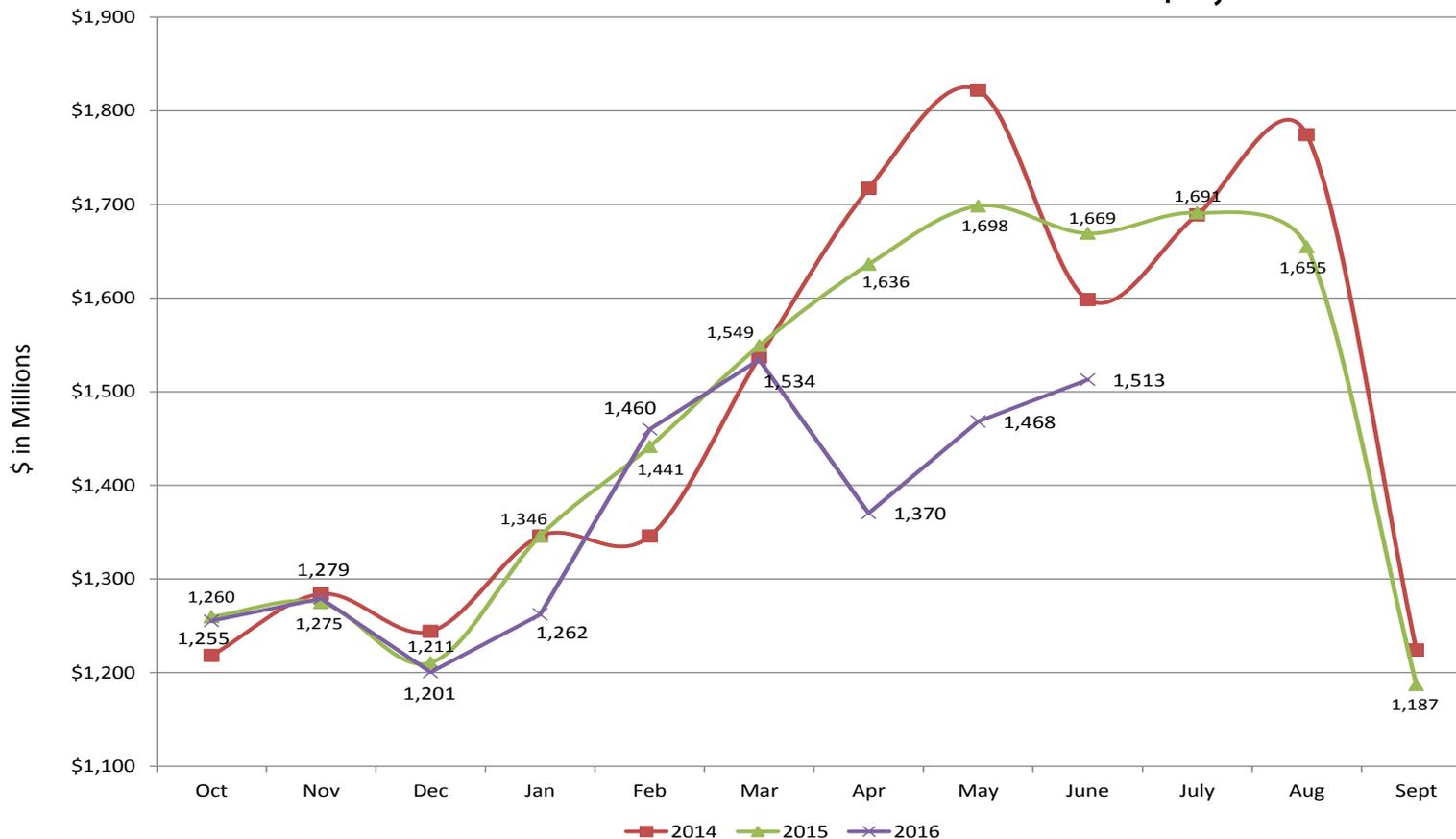
***ACNR Calculation (in \$ millions)**

FY 16 CNR = FY16 NR + FY16 Total Calibration. FY16 NR is 147.1. The FY 16 Total Calibration is 71.5 – 386.8 = -315.3. Therefore, FY16 CNR = 147.1 – 315.3 = -168.2

FY 16 ACNR = FY15 CNR + FY16 CNR. FY 15 CNR was 311.7. Forecast FY 16 CNR is -168.2. Therefore the forecast FY16 ACNR is 311.7 – 168.2 = 143.5

Financial Reserves

Reserves as of the end of June 2016 are \$1,513 million



Q2 - End of FY16 Reserves Forecast

(\$ Millions)

End FY16 Reserves Forecast	260	528	787
Less: End of FY16 Reserves Not for Risk	52	81	133
Reserves Available for Risk Forecast	208	447	654

Split		
Power	Trans	Total
260	528	787
52	81	133
208	447	654

Q3 - End of FY16 Reserves Forecast

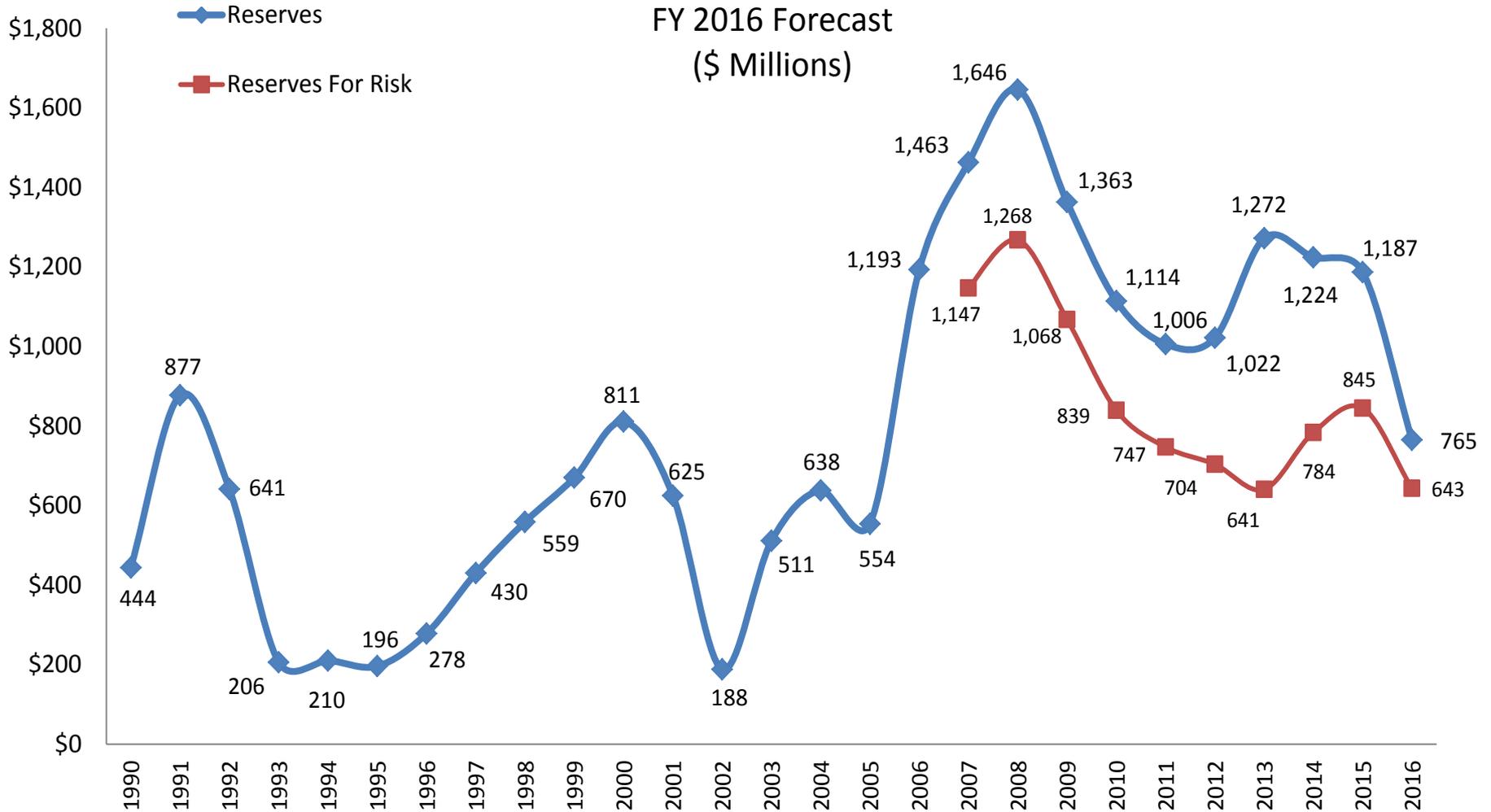
(\$ Millions)

End FY16 Reserves Forecast	250	515	765
Less: End of FY16 Reserves Not for Risk	52	70	122
Reserves Available for Risk Forecast	198	445	643

Split		
Power	Trans	Total
250	515	765
52	70	122
198	445	643

BPA Financial Reserves FY 1990 – FY 2016

Year-End BPA Financial Reserves
 FY 1990 through FY 2015 Actuals
 FY 2016 Forecast
 (\$ Millions)



FY 2016 Third Quarter Capital Financial Results & Third Quarter Forecast



Report ID: 0027FY16
 Requesting BL: CORPORATE BUSINESS UNIT
 Unit of Measure: \$Thousands

BPA Statement of Capital Expenditures
 FYTD Through the Month Ended June 30, 2016
 Preliminary Unaudited

Run Date/Run Time: July 19, 2016/ 11:18
 Data Source: EPM Data Warehouse
 % of Year Elapsed = 75%

		FY 2016		FY 2016	FY 2016	
		SOY Budget	Current EOY Forecast	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
Transmission Business Unit						
1	MAIN GRID	\$ 36,042	\$ 28,645	\$ 26,741	74%	93%
2	AREA & CUSTOMER SERVICE	94,243	116,371	82,550	88%	71%
3	SYSTEM REPLACEMENTS	329,910	292,456	157,938	48%	54%
4	UPGRADES & ADDITIONS	146,387	143,003	111,386	76%	78%
5	ENVIRONMENT CAPITAL	6,992	10,447	6,567	94%	63%
	PFIA					
6	MISC. PFIA PROJECTS	6,156	2,689	1,782	29%	66%
7	GENERATOR INTERCONNECTION	13,222	(41)	(25)	0%	62%
8	SPECTRUM RELOCATION	985	246	64	6%	26%
9	CAPITAL INDIRECT, undistributed	()	-	12,503	0%	0%
10	LAPSE FACTOR	-	-	-	0%	0%
11	TOTAL Transmission Business Unit	633,937	593,817	399,506	63%	67%
Power Business Unit						
12	BUREAU OF RECLAMATION <Note 1	57,200	41,640	30,061	53%	72%
13	CORPS OF ENGINEERS <Note 1	150,300	145,360	97,285	65%	67%
14	GENERATION CONSERVATION	-	-	(28)	0%	0%
15	POWER INFORMATION TECHNOLOGY	5,196	5,639	3,700	71%	66%
16	FISH & WILDLIFE <Note 2	40,000	25,000	12,154	30%	49%
17	LAPSE FACTOR	-	-	-	0%	0%
18	TOTAL Power Business Unit	252,696	217,639	143,171	57%	66%
Corporate Business Unit						
19	CORPORATE BUSINESS UNIT	21,158	20,180	12,511	59%	62%
20	TOTAL Corporate Business Unit	21,158	20,180	12,511	59%	62%
21	TOTAL BPA Capital Expenditures	\$ 907,791	\$ 831,636	\$ 555,188	61%	67%

< 1 Excludes projects funded by federal appropriations.
 < 2 Amounts are reported as regulatory assets and not utility plant

Report ID: 0028ASFY16 **BPA Statement of Capital Expenditures by Asset Category** Run Date/Run Time: July 20, 2016/ 07:01
 Requesting BL: CORPORATE BUSINESS UNIT FYTD Through the Month Ended June 30, 2016 Data Source: EPM Data Warehouse via Analysis Services
 Unit of Measure: \$Thousands Preliminary Unaudited % of Year Elapsed = 75%

		FY 2016		FY 2016	FY 2016		
		SOY Budget	Current EOY Forecast	Actuals FYTD	Actuals / SOY Budget	Actuals / Forecast	
Transmission Business Unit							
Transmission Asset Category							
1	Expand	266,087	277,873	214,522	81%	77%	
2	Sustain	291,476	268,374	144,457	50%	54%	
3	Transmission Asset Category Sub-Total	557,563	546,247	358,978	64%	66%	
4	PFIA Facilities Asset Category						
	Expand	20,363	2,893	1,821	9%	63%	
5	Expand	6,804	6,337	3,152	46%	50%	
6	Sustain	20,600	2,056	845	4%	41%	
7	Facilities Asset Category Sub-Total	27,404	8,393	3,998	15%	48%	
8	IT Asset Category						
	Expand	3,781	3,810	3,003	79%	79%	
9	Security Function						
	Sustain	9,099	14,861	9,735	107%	66%	
10	Fleet Function						
	Sustain	8,734	7,165	2,902	33%	40%	
11	Environment Function						
	Sustain	6,992	10,447	6,567	94%	63%	
12	Capital Indirect						
		()	-	12,503	0%	0%	
13	TOTAL Transmission Business Unit	633,937	593,817	399,506	63%	67%	
Power Business Unit							
14	Bureau of Reclamation						
	Sustain	<Note 1	57,200	41,640	30,061	53%	72%
15	Corps of Engineers						
	Sustain	<Note 1	150,300	145,360	97,285	65%	67%
16	Fed Hydro Sub-Total		207,500	187,000	127,346	61%	68%
17	Generation Conservation						
	Conservation			(28)	0%	0%	
18	Fish and Wildlife						
	Fish and Wildlife	<Note 2	40,000	25,000	12,154	30%	49%
19	IT Asset Category						
	Expand		5,196	5,639	3,700	71%	66%
20	TOTAL Power Business Unit	252,696	217,639	143,171	57%	66%	
Corporate Business Unit							
21	Facilities Asset Category						
	Sustain	2,300	2,100	525	23%	25%	
22	IT Asset Category						
	Expand	7,693	7,821	5,890	77%	75%	
23	Sustain	11,165	10,259	6,096	55%	59%	
24	IT Asset Category Sub-Total	18,858	18,080	11,986	64%	66%	
25	TOTAL Corporate Business Unit	21,158	20,180	12,511	59%	62%	
26	TOTAL BPA Capital Expenditures	\$ 907,791	\$ 831,636	\$ 555,188	61%	67%	
27	TOTAL Expand	309,924	304,373	232,088	75%	76%	
28	TOTAL Sustain	557,866	502,263	298,472	54%	59%	
29	TOTAL Fish and Wildlife	40,000	25,000	12,154	30%	49%	
30	TOTAL Other	()	-	12,474	0%	0%	
31	TOTAL BPA Capital Expenditures	\$ 907,791	\$ 831,636	\$ 555,188	61%	67%	

< 1 Excludes projects funded by federal appropriations.
 < 2 Amounts are reported as regulatory assets and not utility plant
 All amounts are fully loaded

Report ID: 0027FY16
 Requesting BL: CORPORATE BUSINESS UNIT
 Unit of Measure: \$Thousands

QBR Forecast Analysis: BPA Capital Expenditures
 FYTD Through the Month Ended June 30, 2016
 Preliminary Unaudited

Run Date/Run Time: July 19, 2016 11:18
 Data Source: EPM Data Warehouse
 % of Year Elapsed = 75%

		A	B	C
		FY 2016		FY 2016
		2nd Quarter Forecast	Current EOY Forecast	Current EOY Forecast - 2nd Quarter Forecast
Transmission Business Unit				
1	MAIN GRID	\$ 24,761	\$ 28,645	\$ 3,884
2	AREA & CUSTOMER SERVICE	118,251	116,371	(1,880)
3	SYSTEM REPLACEMENTS	317,959	292,456	(25,503)
4	UPGRADES & ADDITIONS	149,711	143,003	(6,708)
5	ENVIRONMENT CAPITAL	6,554	10,447	3,893
	PFIA	-	-	-
6	MISC. PFIA PROJECTS	2,816	2,689	(128)
7	GENERATOR INTERCONNECTION	948	(41)	(989)
8	SPECTRUM RELOCATION	328	246	(82)
9	CAPITAL INDIRECT, undistributed	-	-	-
10	LAPSE FACTOR	-	-	-
11	TOTAL Transmission Business Unit	621,328	593,817	(27,512)
Power Business Unit				
12	BUREAU OF RECLAMATION <Note 1	43,140	41,640	(1,500)
13	CORPS OF ENGINEERS <Note 1	142,760	145,360	2,600
14	GENERATION CONSERVATION	-	-	-
15	POWER INFORMATION TECHNOLOGY	5,104	5,639	535
16	FISH & WILDLIFE <Note 2	30,000	25,000	(5,000)
17	LAPSE FACTOR	-	-	-
18	TOTAL Power Business Unit	221,004	217,639	(3,365)
Corporate Business Unit				
19	CORPORATE BUSINESS UNIT	19,240	20,180	940
20	TOTAL Corporate Business Unit	19,240	20,180	940
21	TOTAL BPA Capital Expenditures	\$ 861,572	\$ 831,636	\$ (29,936)

Capital Project Status Report

Dennis Naef
Asset Strategist



Major Capital Projects ¹ - End-of-Project Target Performance						Q2 2016	
Project	Description	Direct Capital \$M ²			In-Service Date		
		Target	Forecast	Actual ³	Target	Forecast	
Transmission							
Sustain Steel Program Defective Damper Replacements	Replace approximately 1,700 miles of defective PPI spacer dampers.	\$ 34.4	\$ 32.5	\$ 27.9	9/30/14	12/28/18	
500 kV Spare Transformer Project	Acquire 5 spares and relocate 2 existing transformers to be used as spares. The spares will be placed strategically across the system.	\$ 41.0	\$ 51.5	\$ 51.2	12/31/13	12/2/16	
Fleet Mobile Equipment Replacement FY14-16	Heavy duty and specialized vehicle replacement program for FY14-16	\$ 16.4	\$ 14.6	\$ 3.7	9/30/16	9/30/17	
#KC SONET Phase II Spur Healing	Complete the digital microwave and radio conversion in Oregon.	\$ 18.0	\$ 13.4	\$ 13.3	12/31/15	12/29/17	
#NC Analog Microwave Replacement	Complete the digital microwave and radio conversion in NW Washington.	\$ 9.5	\$ 9.5	\$ 8.1	12/31/15	12/31/18	
Alvey Substation 500 kV Shunt Reactor	Add a 500 kV shunt reactor for voltage stabilization.	\$ 10.9	\$ 7.3	\$ 6.7	4/30/12	7/1/16	
NEPA - I-5 Corridor Reinforcement	Conduct NEPA study, preliminary engineering and design.	\$ 85.0	\$ 95.0	\$ 77.6	12/31/15	9/30/17	
Big Eddy - Knight (West of McNary Reinforcement Group 2)	New 500 kV substation and 28 miles of 500 kV transmission line.	\$ 180.0	\$ 197.6	\$ 189.8	11/30/14	11/30/17	
Synchrophasor Project	5-year effort to acquire, install, test, and implement synchronized Wide Area Measurement (WAM) and control technology at BPA.	\$ 32.5	\$ 32.1	\$ 32.1	9/30/15	2/29/16	
Ross - Schultz Fiber Replacement	Replace the obsolete and limited 36 strand fiber with standard 72 strand fiber.	\$ 34.0	\$ 32.8	\$ 9.1	9/15/17	11/16/18	
#DC Microwave Analog Spur Replacement	Complete the digital microwave and radio conversion in Northeast Washington.	\$ 39.5	\$ 35.8	\$ 33.8	8/30/17	7/3/17	
Central Ferry to Lower Monumental (Little Goose Area Reinforcement)	Construct a 38 mile 500 kV transmission line between Central Ferry and Lower Monumental substations.	\$ 115.0	\$ 108.3	\$ 108.3	12/31/15	4/15/16	
P25 Two-Way Mobile Radio Upgrade	Replace and upgrade the mobile radio system to P25 technology.	\$ 64.5	\$ 58.3	\$ 8.2	9/30/17	12/21/21	
Switchgear Replacement for Fault Duty FY12	Replace under-rated switchgear identified in annual screening process.	\$ 14.9	\$ 18.7	\$ 18.7	12/31/14	3/18/16	
Puget Sound Area Northern Intertie (PSANI) Memorandum of Agreement	Install a 500/230 kV transformer bank addition at Raver Substation.	\$ 56.4	\$ 36.8	\$ 8.3	9/30/16	12/2/17	
Lower Valley Area Reinforcement (Hooper Springs)	Construct substation and 24 miles of line to address reliability issues in the Lower Valley Area.	\$ 63.8	\$ 70.1	\$ 18.7	9/30/17	11/30/18	
#JC Microwave Upgrade	Complete the digital conversion for the upper part of the #JC communications ring.	\$ 13.5	\$ 9.1	\$ 5.7	9/1/18	9/1/18	
Operational Multi-Gigabit Ethernet Transport (OMET)	Communications upgrade and replacement to ensure adequate capacity and compatibility for emerging requirements.	\$ 43.5	\$ 43.5	\$ 10.9	3/30/17	12/28/18	
Pacific DC Intertie Upgrade - Station Work	Modernize the Cello converter terminal and upgrade capacity from 3100 MW to 3220 MW for north to south power flow with a future upgrade path to 3800 MW.	\$ 275.8	\$ 278.6	\$ 252.4	12/20/15	6/30/16	
Pacific DC Intertie Upgrade - Line Work		\$ 40.0	\$ 77.9	\$ 72.3	10/31/17	10/31/17	
McNary Substation - Additional 500 kV Transformer	Install an additional transformer bank to handle increased loading.	\$ 20.2	\$ 31.2	\$ 13.7	5/30/17	5/30/17	

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¹ Includes capital projects authorized at the agency level since August 2007

² Direct capital costs exclude AFUDC and overheads

³ Actual costs are project costs to date.

⁴ Contracts have not been awarded - cost estimates are confidential

Major Capital Projects¹ - End-of-Project Target Performance

Q2 2016

Project	Description	Direct Capital \$M ²			In-Service Date	
		Target	Forecast	Actual ³	Target	Forecast
Transmission - continued						
Umatilla Electric Cooperative (UEC) Line and Load Requests	Construct Longhorn Substation Annex and add three bays at McNary Substation.	\$ 65.0	\$ 65.0	\$ 64.0	7/30/16	7/22/16
Paul Substation Shunt Reactor Addition	Install an additional reactor in the Portland area for voltage control.	\$ 9.5	\$ 9.5	\$ 6.8	4/30/16	12/16/16
Raver Substation - Replace Reactor	Replace the failed 180 MVAR reactor with a 300 MVAR unit.	\$ 7.2	\$ 6.2	\$ 6.2	9/30/15	3/15/16
Spare Transformers for Hub Wind Sites	Add a spare 500/230 kV single phase transformer at John Day, Rock Creek, Slatt and Central Ferry substations.	\$ 18.6	\$ 19.6	\$ 2.8	10/15/18	1/31/19
Midway-Grandview No. 1 Line Upgrade	Rebuild 25 mile line to avoid risk of thermal overload.	\$ 18.6	\$ 18.6	\$ 1.5	4/30/18	4/30/18
Steel Lines Sustain Program FY 2016	One-year asset replacement plan based on asset strategy analysis.	\$25.5 to \$28.5	\$ 19.8	\$ 3.4	9/30/16	9/30/16
Wood Pole Lines Sustain Program FY 2016	One-year asset replacement plan based on asset strategy analysis.	\$47.5 to \$52.5	\$ 41.9	\$ 6.9	9/30/16	9/30/16
Access Roads Sustain Program FY 2016	One-year asset replacement plan based on asset strategy analysis.	\$16.0 to \$18.0	\$ 15.1	\$ 1.8	9/30/16	9/30/16
Land and Land Rights Sustain Program FY 2016	One-year asset replacement plan based on asset strategy analysis.	\$9.5 to \$10.5	\$ 10.5	\$ 2.9	9/30/16	9/30/16
AC Substations Sustain Program FY 2016	One-year asset replacement plan based on asset strategy analysis.	\$52.5 to \$58.5	\$ 52.6	\$ 15.7	9/30/16	9/30/16
System Telecommunications Sustain Program FY 2016	One-year asset replacement plan based on asset strategy analysis.	\$17.0 to \$19.0	\$ 15.5	\$ 1.8	9/30/16	9/30/16
Power Systems Control Sustain Program FY 2016	One-year asset replacement plan based on asset strategy analysis.	\$20.0 to \$22.0	\$ 22.0	\$ 6.5	9/30/16	9/30/16
System Protection and Control Sustain Program FY 2016	One-year asset replacement plan based on asset strategy analysis.	\$32.0 to \$36.0	\$ 33.1	\$ 8.6	9/30/16	9/30/16
Control Center Sustain Program FY 2016	One-year asset replacement plan based on asset strategy analysis.	\$9.5 to \$10.5	\$ 7.1	\$ 2.3	9/30/16	9/30/16
Federal Hydro						
Grand Coulee and Hungry Horse SCADA	Replace SCADA systems at Grand Coulee and Hungry Horse.	\$ 46.8	\$ 69.2	\$ 48.4	9/30/15	9/1/20
Grand Coulee Pre Overhaul - Winding Replacement G19, G20	Replace the stator core and windings on units G19 and G20.	N/A ⁴	N/A ⁴	\$ 2.0	5/31/13	12/31/18
Grand Coulee Stator Windings, Cores and Spare G1-G18	Replace 14 stator cores and windings. G4,5,7,9 were previously replaced.	N/A ⁴	N/A ⁴	\$ 14.0	12/2/23	7/2/29
Grand Coulee Exciter Replacements G1-G18	Replace the excitation equipment for all 18 units.	N/A ⁴	N/A ⁴	\$ 0.2	12/2/23	7/29/29
Grand Coulee Governor Replacements G1-G18	Replace the governors and related equipment for all 18 units.	N/A ⁴	N/A ⁴	\$ 0.2	12/2/23	12/3/23
Grand Coulee Transformers G11-G18	Replace 24 single-phase transformers in the Right Powerhouse.	N/A ⁴	N/A ⁴	\$ 0.5	10/31/18	12/31/22
Grand Coulee - Keys Pump Generating Station - Reliability	Replacements and upgrades to maintain current station capability.	N/A ⁴	N/A ⁴	\$ 7.3	9/30/24	9/30/24

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Major Capital Projects¹ - End-of-Project Target Performance

Q2 2016

Project	Description	Direct Capital \$M ²			In-Service Date	
		Target	Forecast	Actual ³	Target	Forecast
Federal Hydro - continued						
Grand Coulee G22 - G23 Wicket Gate Replacements	Replace the deteriorating wicket gates.	N/A ⁴	N/A ⁴	\$ 0.6	11/1/18	11/1/18
Grand Coulee Firehouse	Build a stand-alone fire station to replace the facility currently housed in the pump-generating plant.	N/A ⁴	N/A ⁴	\$ 1.3	1/1/18	1/1/18
Chief Joseph Turbine Runner Replacements Units 1 - 16	Replace the turbine runners and rehabilitate the turbines on units 1 - 16.	\$ 166.0	\$ 174.4	\$ 147.0	9/30/17	9/30/17
Chief Joseph Governor Replacement	Upgrade the 27 governors with digital controls and replace associated equipment.	\$ 10.7	\$ 10.7	\$ 6.1	8/19/17	8/16/17
The Dalles Transformer Replacements	Replace 7 transformer banks - TA, T1, T3, T5, T6, T7, T8	\$ 37.0	\$ 35.8	\$ 0.9	5/9/19	5/9/19
McNary Governor Replacement	Upgrade the 14 governors in the McNary powerhouse with digital controls.	N/A ⁴	N/A ⁴	\$ 2.2	1/29/18	4/30/19
McNary 4160/480V Station Service Upgrade	Replace and upgrade the station service distribution system.	\$ 36.0	\$ 45.1	\$ 17.8	12/3/18	12/3/18
Bonneville Powerhouse 1 Main Unit Breakers and Station Service	Replace oil-filled original equipment breakers and reconfigure and modernize the station service.	\$ 42.0	\$ 34.2	\$ 11.2	4/20/18	3/20/18
John Day Governor Upgrade	Upgrade of the governors with digital controls and replacement of associated components.	\$ 10.7	\$ 8.9	\$ 8.2	10/26/16	7/7/16
John Day Turbine Hub Upgrades	Rebuild and upgrade up to five turbine runner hubs. Four additional hubs may be rebuilt under a future amendment to this project.	N/A ⁴	N/A ⁴	\$ 1.0	12/31/18	11/16/21
John Day Draft Tube Bulkheads and Intake Gates	Purchase two sets of draft tube bulkheads and one set of intake gates for additional de-watering.	\$ 11.9	\$ 8.5	\$ 1.3	9/4/18	9/4/18
Dworshak U3 Stator and Coolers	Replace the winding, core and air coolers.	N/A ⁴	N/A ⁴	\$ 1.1	6/1/17	6/1/17
Ice Harbor Turbine Runner Replacement	Replace poor condition turbine runners in units 1, 2 & 3 with a more fish-friendly design.	\$ 97.0	\$ 97.0	\$ 23.4	3/31/20	3/31/20
Ice Harbor Stator Winding Replacements	Replace the stator windings for units 1,2 and 3.	N/A ⁴	N/A ⁴	\$ -	3/31/20	3/31/20
Lower Granite U1 Linkage Upgrade	Upgrade the U1 turbine linkage to restore full Kaplan capability.	\$ 7.6	\$ 7.6	\$ 1.5	9/9/16	9/9/16
Lower Monumental U1 Linkage Refurbishment	Refurbish turbine linkage and rewind generator.	\$ 14.8	\$ 15.6	\$ 3.0	3/1/16	5/31/17
Hungry Horse Station Service Replacement	Replace station service switchgear distribution board/feeder cables and upgrade relay protection/metering.	\$ 8.1	\$ 7.4	\$ 7.4	1/31/15	9/30/16
Hills Creek Powerhouse Turbine and Unit Rehabilitation	Replace turbine runners and generator windings on units 1 and 2 at Hills Creek.	\$ 24.1	\$ 21.0	\$ 18.6	8/12/14	10/3/16
Black Canyon Third Generating Unit	Add a third generating unit at Black Canyon. The capacity of the unit will be between 10 and 15 MW.	\$ 36.8	\$ 40.5	\$ 7.1	12/31/14	9/1/19
Black Canyon Switchyard Replacement	Replace and relocate the switchyard.	N/A ⁴	N/A ⁴	\$ -	5/1/19	5/1/19
Palisades Turbine Rehabilitation and Runner Replacement	Replace the turbine runners and rehabilitate the turbines on the four Palisades units.	\$ 28.8	\$ 30.3	\$ 29.3	5/31/16	5/31/16

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³ Actual costs are project costs to date.

⁴ Contracts have not been awarded - cost estimates are confidential

Major Capital Projects¹ - End-of-Project Target Performance Q2 2016

Project	Description	Direct Capital \$M ²			In-Service Date	
		Target	Forecast	Actual ³	Target	Forecast
IT						
IT Virtualization and Consolidation Project (IVC)	Replace and modernize server infrastructure for non-critical business systems.	\$ 23.8	\$ 30.2	\$ 30.2	12/31/14	3/31/16
Columbia Vista Short Term Replacement (CV-STR)	Replace the current hydro modeling functionality and associated database tool.	\$ 7.1	\$ 7.0	\$ 7.0	9/25/15	6/30/16

Facilities						
Tri Cities Maintenance Headquarters and Franklin Yard	Construct Tri-Cities maintenance HQ, heat line for spare transformers and a spare parts yard at Franklin.	\$ 14.2	\$ 17.2	\$ 17.1	12/31/13	5/31/16
Ross Maintenance Headquarters	Construct a maintenance HQ office building, high-bay structure and lay-down storage area on the Ross complex.	\$ 15.5	\$ 15.5	\$ 1.6	8/1/17	10/31/17

Summary			
Transmission	\$ 1,583.2	\$ 1,591.1	\$ 1,101.7
Federal Hydro	578.3	606.2	361.6
IT	30.9	37.2	37.2
Facilities	29.7	32.7	18.7
Total	\$ 2,222.1	\$ 2,267.2	\$ 1,519.2

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³ Actual costs are project costs to date.

⁴ Contracts have not been awarded - cost estimates are confidential

Slice Reporting Composite Cost Pool Review Forecast of Annual Slice True-Up Adjustment

Sunny Donato
Public Utilities Specialist

Janice Johnson
Accountant



Q3 Forecast of FY 2016 Slice True-Up Adjustment

	FY 2016 Forecast \$ in thousands
February 3, 2016 First Quarter Business Review	\$10,036 (positive = charge)
May 3, 2016 Second Quarter Business Review	\$11,292
Aug 2, 2016 Third Quarter Business Review	\$5,289
November 1, 2016 Fourth Quarter Business Review	
Actual Slice True-Up Adjustment Charge/Credit	

Summary of Differences From Q3 Forecast to FY 2016 (BP-16)

#		Composite Cost Pool True- Up Table Reference	Q3 – FY 16 \$ in thousands
1	Total Expenses	Row 103	\$(615,561)
2	Total Revenue Credits	Rows 123 + 132	\$(21,880)
3	Minimum Required Net Revenue	Row 149	\$613,040
4	TOTAL Composite Cost Pool (1 - 2 + 3) \$(615,561K)-\$(21,880K)+\$613,040K = \$19,359K	Row 154	\$19,359
5	TOTAL in line 4 divided by <u>0.9742386</u> sum of TOCAs \$19,359K / <u>0.9742386</u> = \$19,871K	Row 156	\$19,871
6	Q3 Forecast of FY 16 True-up Adjustment 26.61865 percent of Total in line 5 0.2661865* \$ 19,871K = \$5,289K	Row 157	\$5,289

Lower Level Differences From Q3 Forecast to FY 2016 (BP-16)

#	Line Item of Values Changed Over \$8 M	Composite Cost Pool True-Up Table Reference	Q3 – FY 2016 Rate Case (\$ in thousands)
1	Principal Payment of Fed Debt for Power	Row 135	\$ 982,480
2	Non-Cash Expenses	Row 141	\$ 282,829
3	Customer Proceeds	Row 142	\$ 81,611
4	Other Income, Expenses, Adjustments	Row 79	\$ 25,896
5	Agency Services G&A	Row 76	\$ 9,289
6	OTHER POWER PURCHASES (omit, except Designated Obligations or Purchases)	Row 19	\$ 8,582
7	STRATEGY, FINANCE & RISK MGMT	Row 56	\$ (9,133)
8	4(h)(10)(c) credit	Row 108	\$ (9,766)
9	BUREAU OF RECLAMATION	Row 5	\$ (19,204)
10	WNP-3 DEBT SVC	Row 85	\$ (156,812)
11	WNP-1 DEBT SVC	Row 84	\$ (215,203)
12	Expense Offset	Row 80	\$ (231,340)

Composite Cost Pool Interest Credit

Allocation of Interest Earned on the Bonneville Fund (\$ in thousands)		
		<u>Q3 2016</u>
1	Fiscal Year Reserves Balance	570,255
2	Adjustments for pre-2002 Items	-
3	Reserves for Composite Cost Pool (Line 1 + Line 2)	570,255
4	Composite Interest Rate	1.57%
5	Composite Interest Credit	(8,969)
6	Prepay Offset Credit	(174)
7	Total Interest Credit for Power Services	(8,063)
8	Non-Slice Interest Credit (Line 7 - (Line 5+6))	906

Net Interest Expense in Slice True-Up Forecast

	2016 Rate Case	Q3 Forecast
	<u>(\$ in thousands)</u>	<u>(\$ in thousands)</u>
• Federal Appropriation	189,757	188,850
• Capitalization Adjustment	(45,937)	(45,937)
• Borrowings from US Treasury	56,935	50,539
• Prepay Interest Expense	13,273	13,273
• Interest Expense	214,028	206,725
• AFUDC	(10,731)	(8,600)
• Interest Income (composite)	(8,440)	(8,969)
• Prepay Offset Credit	(468)	(174)
• Total Net Interest Expense	194,389	188,982

FY 2015 Cost Verification Process Follow-up: EE Reimbursable Steps

Sunny Donato
Public Utilities Specialist

Janice Johnson
Accountant

Will Rector
Public Utilities Specialist



FY 2015 Numbers

EE Expenses	8,217,858.41
EE Revenues	7,602,555.45
Difference	615,302.96

Agreement for Work

- Contract tendered to customer, returned signed
- Advance collected and recorded to liability

Expense

- Work performed (internal labor)
- Invoice recorded (external labor, materials)
- Overhead applied at BPA internal current FY rate

Revenue

- Revenue recorded in same amount as labor and materials amount plus contracted overhead percentage on a monthly basis

Completion

- Final reconciliation
- Remainder refunded or overage billed

Updated Internal Process

- Accruing revenue to match expense accruals

Appendix



Planned Network Additions Associated With Interconnection Requests

The following are planned* Network additions associated with requested line/load and generation interconnections that were recently approved:

No new updates this quarter.

*Construction is contingent upon the requestor signing a construction agreement.

Please direct inquiries to Jana Jusupovic in Customer Service Engineering at jdjusupovic@bpa.gov

Report ID: 0020FY16
 Requesting BL: CORPORATE BUSINESS UNIT
 Unit of measure: \$ Thousands

FCRPS Summary Statement of Revenues and Expenses
 Through the Month Ended June 30, 2016
 Preliminary/ Unaudited

Run Date/Run Time: July 19,2016/ 11:02
 Data Source: EPM Data Warehouse
 % of Year Elapsed = 75%

	FY 2015		FY 2016		FY 2016
	Actuals: FYTD	Actuals	SOY Budget	Current EOY Forecast	
Operating Revenues					
1 Gross Sales (excluding bookout adjustment) <Note 3	\$ 2,566,706	\$ 3,301,965	\$ 3,431,397	\$ 3,307,484	\$ 2,516,897
2 Bookout adjustment to Sales	(31,177)	(44,504)	-	(18,937)	(18,937)
3 Miscellaneous Revenues	45,152	64,654	85,588	77,419	61,522
4 U.S. Treasury Credits	62,960	82,316	95,707	85,941	63,780
5 Total Operating Revenues	2,643,641	3,404,432	3,612,692	3,451,907	2,623,262
Operating Expenses					
Power System Generation Resources					
Operating Generation Resources					
6 Columbia Generating Station	261,043	318,231	261,448	258,248	172,442
7 Bureau of Reclamation	93,234	134,284	155,318	137,614	89,467
8 Corps of Engineers	165,081	230,742	242,885	237,919	165,418
9 Long-term Contract Generating Projects	19,537	26,074	22,601	20,559	16,321
10 Operating Generation Settlement Payment	13,089	18,555	19,323	19,323	12,583
11 Non-Operating Generation	1,067	1,126	1,600	1,240	982
12 Gross Contracted Power Purchases and Augmentation Power Purch	73,694	120,968	48,515	126,788	102,870
13 Bookout Adjustment to Power Purchases	(31,177)	(44,504)	-	(18,937)	(18,937)
14 Exchanges & Settlements <Note 3	158,509	200,265	219,100	219,100	169,600
15 Renewables	24,427	31,382	38,883	38,197	27,784
16 Generation Conservation	28,802	43,432	135,495	129,520	81,168
17 Subtotal Power System Generation Resources	807,307	1,080,554	1,145,168	1,169,571	819,698
Power Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	46,113	60,814	69,993	71,534	46,708
18 Power Services Non-Generation Operations	55,450	77,116	92,215	81,872	56,944
19 Transmission Operations	96,645	133,793	163,471	142,509	105,643
20 Transmission Maintenance	114,844	166,157	153,719	156,225	108,818
21 Transmission Engineering	41,384	57,251	53,906	54,404	36,609
22 Trans Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	17,809	21,255	21,670	20,764	11,451
23 Transmission Reimbursables	7,116	10,641	8,227	7,777	11,844
24 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	207,160	298,303	309,904	312,444	221,158
BPA Internal Support					
26 Additional Post-Retirement Contribution	28,229	37,638	38,286	34,183	28,715
27 Agency Services G&A	84,077	120,064	131,937	134,879	95,766
28 Other Income, Expenses & Adjustments	(27,898)	(28,047)	(32,252)	1,711	1,671
29 Non-Federal Debt Service	164,367	228,965	798,166	250,086	193,047
30 Depreciation & Amortization	336,091	447,984	462,573	467,573	350,802
31 Total Operating Expenses	1,978,695	2,712,486	3,416,983	2,905,531	2,088,874
32 Net Operating Revenues (Expenses)	664,947	691,946	195,709	546,376	534,389
Interest Expense and (Income)					
33 Interest Expense	265,504	355,854	383,052	351,747	261,634
34 AFUDC	(39,786)	(53,217)	(53,617)	(37,600)	(31,272)
35 Interest Income	(10,454)	(15,345)	(21,158)	(13,221)	(7,718)
36 Net Interest Expense (Income)	215,263	287,292	308,277	300,926	222,644
37 Net Revenues (Expenses)	\$ 449,684	\$ 404,654	\$ (112,568)	\$ 245,451	\$ 311,745
38 Transmission Net Revenues (Expenses)	93,879	99,390	99,616	106,336	107,458
39 Power Net Revenues (Expenses)	361,250	311,747	(32,913)	147,076	209,949
40 Net Revenue Modifications <Note 4	(171,846)	(268,562)	71,542	(315,142)	(236,492)
41 Adjusted Net Revenues	\$ 283,284	\$ 142,575	\$ 138,245	\$ (61,729)	\$ 80,914

- <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 The consolidated FCRPS Statement reduces reported Revenues and Expenses where between business line transactions occur, the most significant of which are for Transmission Acquisition and Ancillary Services.
- <3 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefits payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.
- <4 Adjusted Net Revenues is a non-GAAP metric designed to report net revenues after removing the effect of certain debt management actions not considered to be related to ongoing FCRPS operations.

Report ID: 0060FY16

Power Services Detailed Statement of Revenues and Expenses

Run Date/Time: July 19, 2016 11:03

Requesting BL: POWER BUSINESS UNIT

Through the Month Ended June 30, 2016

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 75%

	A	B	C	D <Note 1	E	F
	FY 2015	FY 2016			FY 2016	FY 2016
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
Operating Revenues						
1 Gross Sales (excluding bookout adjustment) <Note 2	\$ 2,399,397	\$ 2,522,140	\$ 2,518,204	\$ 2,398,305	\$ 1,835,672	77%
2 Bookout Adjustment to Sales	(44,504)	-	-	(18,937)	(18,937)	100%
3 Miscellaneous Revenues	30,389	37,541	37,140	28,990	21,293	73%
4 Inter-Business Unit	121,260	115,750	121,164	117,425	87,285	74%
5 U.S. Treasury Credits	82,316	95,707	95,707	85,941	63,780	74%
6 Total Operating Revenues	2,588,858	2,771,138	2,772,215	2,611,725	1,989,093	76%
Operating Expenses						
Power System Generation Resources						
Operating Generation						
7 COLUMBIA GENERATING STATION	318,231	262,948	261,448	258,248	172,442	67%
8 BUREAU OF RECLAMATION	134,284	156,818	155,318	137,614	89,467	65%
9 CORPS OF ENGINEERS	230,742	243,885	242,885	237,919	165,418	70%
10 LONG-TERM CONTRACT GENERATING PROJECTS	26,074	22,303	22,601	20,559	16,321	79%
11 Sub-Total	709,330	685,954	682,252	654,340	443,649	68%
Operating Generation Settlements and Other Payments						
12 COLVILLE GENERATION SETTLEMENT	18,555	19,323	19,323	19,323	12,583	65%
13 Sub-Total	18,555	19,323	19,323	19,323	12,583	65%
Non-Operating Generation						
14 TROJAN DECOMMISSIONING	716	800	800	734	596	81%
15 WNP-1&3 O&M	409	800	800	506	386	76%
16 Sub-Total	1,126	1,600	1,600	1,240	982	79%
Gross Contracted Power Purchases (excluding bookout adjustments)						
17 PNCA HEADWATER BENEFITS	3,089	3,000	3,115	3,115	2,177	70%
18 PURCHASES FOR SERVICE AT TIER 2 RATES	24,648	22,058	22,058	22,058	14,748	67%
19 OTHER POWER PURCHASES - (e.g. Short-Term)	93,230	23,342	23,342	101,616	85,945	85%
20 Sub-Total	120,968	48,400	48,515	126,788	102,870	81%
21 Bookout Adjustments to Contracted Power Purchases	(44,504)	-	-	(18,937)	(18,937)	100%
Augmentation Power Purchases						
22 AUGMENTATION POWER PURCHASES	-	-	-	-	-	0%
23 Sub-Total	-	-	-	-	-	0%
Exchanges & Settlements						
24 RESIDENTIAL EXCHANGE PROGRAM <Note 2	200,265	218,975	219,100	219,100	169,600	77%
25 Sub-Total	200,265	218,975	219,100	219,100	169,600	77%
Renewable Generation						
26 RENEWABLES	31,464	40,987	38,973	38,197	27,804	73%
27 Sub-Total	\$ 31,464	\$ 40,987	\$ 38,973	\$ 38,197	\$ 27,804	73%

Report ID: 0060FY16

Power Services Detailed Statement of Revenues and Expenses

Run Date/Time: July 19, 2016 11:03

Requesting BL: POWER BUSINESS UNIT

Through the Month Ended June 30, 2016

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 75%

	A	B	C	D -Note 1	E	F
	FY 2015	FY 2016			FY 2016	FY 2016
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
Generation Conservation						
28 DSM TECHNOLOGY	\$ -	\$ -	\$ -	\$ -	\$ -	0%
29 CONSERVATION PURCHASES	-	-	76,996	78,312	49,974	64%
30 CONSERVATION INFRASTRUCTURE	15,756	101,932	24,034	24,642	14,914	61%
31 DR & SMART GRID	893	1,245	992	970	678	70%
32 LOW INCOME ENERGY EFFICIENCY	5,248	5,336	5,336	5,336	2,309	43%
33 REIMBURSABLE ENERGY EFFICIENCY DEVELOPMENT	8,218	15,000	15,000	7,124	3,880	54%
34 LEGACY	590	605	605	605	436	72%
35 MARKET TRANSFORMATION	12,728	12,531	12,531	12,531	8,976	72%
36 CONSERVATION RATE CREDIT (CRC)	-	-	-	-	-	0%
37 Sub-Total	43,432	136,649	135,495	129,520	81,168	63%
38 Power System Generation Sub-Total	1,080,637	1,151,888	1,145,258	1,169,571	819,717	70%
Power Non-Generation Operations						
Power Services System Operations						
39 INFORMATION TECHNOLOGY	6,190	5,805	4,217	4,987	4,864	98%
40 GENERATION PROJECT COORDINATION	5,008	7,735	9,035	9,385	3,414	36%
41 SLICE IMPLEMENTATION	846	1,101	882	809	609	75%
42 Sub-Total	12,044	14,642	14,134	15,181	8,886	59%
Power Services Scheduling						
43 OPERATIONS SCHEDULING	8,358	10,307	10,104	8,935	6,689	75%
44 OPERATIONS PLANNING	6,787	7,100	7,537	6,427	4,761	74%
45 Sub-Total	15,145	17,406	17,641	15,362	11,450	75%
Power Services Marketing and Business Support						
46 POWER R&D	6,772	6,033	6,601	6,011	4,269	71%
47 SALES & SUPPORT	18,293	22,049	21,740	20,153	15,148	75%
48 STRATEGY, FINANCE & RISK MGMT	11,986	22,628	17,864	13,406	8,820	66%
49 EXECUTIVE AND ADMINISTRATIVE SERVICES	4,783	4,326	5,613	4,072	2,267	56%
50 CONSERVATION SUPPORT	8,132	9,456	8,622	7,687	6,112	80%
51 Sub-Total	49,966	64,494	60,440	51,329	36,616	71%
52 Power Non-Generation Operations Sub-Total	77,154	96,542	92,215	81,872	56,953	70%
Power Services Transmission Acquisition and Ancillary Services						
PBL Transmission Acquisition and Ancillary Services						
53 POWER SERVICES TRANSMISSION & ANCILLARY SERVICES	88,731	108,908	108,908	99,722	82,599	83%
54 3RD PARTY GTA WHEELING	58,137	63,567	67,297	68,838	44,186	64%
55 POWER SERVICES - 3RD PARTY TRANS & ANCILLARY SVCS	2,677	2,381	2,696	2,696	2,523	94%
56 GENERATION INTEGRATION / WIT-TS	10,521	12,142	12,216	12,213	9,916	81%
57 TELEMETERING/EQUIP REPLACEMT	-	-	-	-	-	0%
58 Power Srvc Trans Acquisition and Ancillary Services Sub-Tota	160,065	186,998	191,117	183,469	139,224	76%
Fish and Wildlife/USF&W/Planning Council/Environmental Req						
BPA Fish and Wildlife						
59 Fish & Wildlife	258,177	267,000	267,000	270,004	190,851	71%
60 USF&W Lower Snake Hatcheries	30,930	32,303	32,303	32,303	23,339	72%
61 Planning Council	9,870	11,236	11,236	10,836	7,635	70%
62 Fish and Wildlife/USF&W/Planning Council Sub-Total	\$ 298,978	\$ 310,539	\$ 310,539	\$ 313,144	\$ 221,825	71%

Report ID: 0060FY16

Power Services Detailed Statement of Revenues and Expenses

Run Date/Time: July 19, 2016 11:03

Requesting BL: POWER BUSINESS UNIT

Through the Month Ended June 30, 2016

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 75%

	A	B	C	D <Note 1	E	F
	FY 2015	FY 2016			FY 2016	FY 2016
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
BPA Internal Support						
63 Additional Post-Retirement Contribution	\$ 18,819	\$ 19,143	\$ 19,143	\$ 17,743	\$ 14,357	81%
64 Agency Services G&A (excludes direct project support)	55,693	53,138	58,661	62,426	43,744	70%
65 BPA Internal Support Sub-Total	74,512	72,281	77,804	80,170	58,101	72%
66 Bad Debt Expense	6	-	-	(2)	(2)	100%
67 Other Income, Expenses, Adjustments	(27,804)	(97,577)	(20,000)	385	385	100%
Non-Federal Debt Service						
Energy Northwest Debt Service						
68 COLUMBIA GENERATING STATION DEBT SVC	78,612	100,810	100,810	96,945	71,309	74%
69 WNP-1 DEBT SVC	40,144	258,325	258,325	43,122	35,408	82%
70 WNP-3 DEBT SVC	59,863	225,942	225,942	69,130	55,667	81%
71 Sub-Total	178,618	585,077	585,077	209,197	162,384	78%
Non-Energy Northwest Debt Service						
72 CONSERVATION DEBT SVC	312	-	-	-	-	0%
73 COWLITZ FALLS DEBT SVC	7,299	7,300	7,300	7,299	5,475	75%
74 NORTHERN WASCO DEBT SVC	1,929	1,931	1,931	1,931	1,448	75%
75 Sub-Total	9,541	9,231	9,231	9,230	6,923	75%
76 Non-Federal Debt Service Sub-Total	188,159	594,308	594,308	218,427	169,307	78%
77 Depreciation	134,641	140,201	140,201	139,201	103,693	74%
78 Amortization	89,548	82,350	82,350	88,350	66,571	75%
79 Total Operating Expenses	2,075,895	2,537,530	2,613,792	2,274,586	1,635,774	72%
80 Net Operating Revenues (Expenses)	512,963	233,608	158,423	337,138	353,319	105%
Interest Expense and (Income)						
81 Federal Appropriation	202,819	189,757	189,757	188,850	141,568	75%
82 Capitalization Adjustment	(45,937)	(45,937)	(45,937)	(45,937)	(34,453)	75%
83 Borrowings from US Treasury	47,939	56,935	56,935	50,539	37,218	74%
84 Customer Prepaid Power Purchases	14,041	13,273	13,273	13,273	10,029	76%
85 AFUDC	(8,664)	(10,731)	(10,731)	(8,600)	(6,072)	71%
86 Interest Income	(8,981)	(11,961)	(11,961)	(8,063)	(4,920)	61%
87 Net Interest Expense (Income)	201,216	191,336	191,336	190,062	143,370	75%
88 Total Expenses	2,277,111	2,728,866	2,805,128	2,464,648	1,779,144	72%
89 Net Revenues (Expenses)	\$ 311,747	\$ 42,272	\$ (32,913)	\$ 147,076	\$ 209,949	143%

<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 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefits payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.

Report ID: 0061FY16	Transmission Services Detailed Statement of Revenues and Expenses	Run Date/Time: July 19, 2016 11:14
Requesting BL: TRANSMISSION BUSINESS UNIT	Through the Month Ended June 30, 2016	Data Source: EPM Data Warehouse
Unit of Measure: \$ Thousands	Preliminary/ Unaudited	% of Year Elapsed = 75%

	A	B		C	D <Note 1	E	F
	FY 2015	FY 2016			FY 2016	FY 2016	
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast	
Operating Revenues							
Sales							
Network							
1 Network Integration	\$ 133,327	\$ 132,025	\$ 132,025	\$ 129,566	\$ 99,347	77%	
2 Other Network	449,743	457,006	440,202	438,460	326,252	74%	
3 Intertie	68,147	76,152	75,847	74,059	55,407	75%	
4 Other Direct Sales	251,351	268,228	265,119	267,095	200,220	75%	
5 Miscellaneous Revenues	34,265	39,042	48,448	48,429	40,229	83%	
6 Inter-Business Unit Revenues	100,136	121,422	121,404	113,052	93,251	82%	
7 Total Operating Revenues	1,036,969	1,093,874	1,083,046	1,070,660	814,705	76%	
Operating Expenses							
Transmission Operations							
System Operations							
8 INFORMATION TECHNOLOGY	8,103	10,377	5,536	8,442	7,116	84%	
9 POWER SYSTEM DISPATCHING	13,209	13,536	14,031	13,531	10,107	75%	
10 CONTROL CENTER SUPPORT	20,849	18,572	22,714	21,568	16,401	76%	
11 TECHNICAL OPERATIONS	6,288	6,913	8,740	8,562	5,753	67%	
12 ENERGY IMBALANCE MARKET	585	7,522	5,590	1,341	1,758	131%	
13 SUBSTATION OPERATIONS	23,347	21,399	23,436	23,439	17,766	76%	
14 Sub-Total	72,381	78,319	80,046	76,882	58,901	77%	
Scheduling							
15 RESERVATIONS	1,156	1,362	1,564	980	874	89%	
16 PRE-SCHEDULING	344	268	416	342	296	87%	
17 REAL-TIME SCHEDULING	4,323	5,038	6,156	5,141	3,482	68%	
18 SCHEDULING TECHNICAL SUPPORT	3,732	4,161	4,056	3,518	2,699	77%	
19 SCHEDULING AFTER-THE-FACT	237	281	525	438	210	48%	
20 Sub-Total	9,792	11,110	12,716	10,419	7,561	73%	
Marketing and Business Support							
21 TRANSMISSION SALES	2,354	2,700	3,110	2,427	1,751	72%	
22 MKTG TRANSMISSION FINANCE	-	-	-	-	-	0%	
23 MKTG CONTRACT MANAGEMENT	4,244	4,862	4,646	4,243	3,316	78%	
24 MKTG TRANSMISSION BILLING	2,414	3,301	2,804	2,398	1,741	73%	
25 MKTG BUSINESS STRAT & ASSESS	6,687	7,171	6,254	6,255	5,139	82%	
26 Marketing Sub-Total	15,698	18,033	16,814	15,324	11,946	78%	
27 EXECUTIVE AND ADMIN SERVICES	12,727	24,235	30,355	17,572	11,617	66%	
28 LEGAL SUPPORT	2,250	3,331	1,617	1,466	1,835	125%	
29 TRANS SERVICES INTERNAL GENERAL & ADMINISTRATIVE	12,913	12,961	15,005	13,772	7,373	54%	
30 AIRCRAFT SERVICES	1,234	2,205	2,365	2,366	800	34%	
31 LOGISTICS SERVICES	5,598	4,325	3,856	3,870	4,940	128%	
32 SECURITY ENHANCEMENTS	1,201	754	697	837	670	80%	
33 Business Support Sub-Total	35,922	47,811	53,894	39,883	27,235	68%	
34 Transmission Operations Sub-Total	\$ 133,793	\$ 155,274	\$ 163,471	\$ 142,509	\$ 105,643	74%	

Report ID: 0061FY16 **Transmission Services Detailed Statement of Revenues and Expenses** Run Date/Time: July 19, 2016 11:14
 Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended June 30, 2016 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands Preliminary/ Unaudited % of Year Elapsed = 75%

	A	B	C	D <small><Note 1</small>	E	F
	FY 2015	FY 2016			FY 2016	FY 2016
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
Transmission Maintenance						
System Maintenance						
35	NON-ELECTRIC MAINTENANCE	\$ 32,203	\$ 30,750	\$ 26,268	\$ 26,122	\$ 18,542 71%
36	SUBSTATION MAINTENANCE	36,926	28,566	29,616	29,909	22,136 74%
37	TRANSMISSION LINE MAINTENANCE	27,733	27,054	25,869	24,680	18,783 76%
38	SYSTEM PROTECTION CONTROL MAINTENANCE	12,718	13,541	13,122	13,422	9,613 72%
39	POWER SYSTEM CONTROL MAINTENANCE	18,939	18,239	14,363	18,085	13,376 74%
40	JOINT COST MAINTENANCE	175	111	3	11	183 1689%
41	SYSTEM MAINTENANCE MANAGEMENT	6,041	9,954	11,342	9,541	5,930 62%
42	ROW MAINTENANCE	6,502	10,098	9,192	8,107	4,398 54%
43	HEAVY MOBILE EQUIP MAINT	116)	(1)	-	178 0%
44	TECHNICAL TRAINING	2,317	2,368	2,752	2,752	2,051 75%
45	VEGETATION MANAGEMENT	18,223	17,181	16,737	19,135	9,929 52%
46	Sub-Total	161,894	157,861	149,262	151,764	105,120 69%
Environmental Operations						
47	ENVIRONMENTAL ANALYSIS	19	-	2	2	6 337%
48	POLLUTION PREVENTION AND ABATEMENT	4,244	4,690	4,456	4,459	3,692 83%
49	Sub-Total	4,263	4,690	4,458	4,461	3,699 83%
50	Transmission Maintenance Sub-Total	166,157	162,552	153,719	156,225	108,818 70%
Transmission Engineering						
System Development						
51	RESEARCH & DEVELOPMENT	7,359	9,522	7,296	7,014	4,787 68%
52	TSR PLANNING AND ANALYSIS	22,796	16,486	18,010	18,145	11,996 66%
53	CAPITAL TO EXPENSE TRANSFER	6,836	4,307	4,261	6,608	7,756 117%
54	NERC / WECC COMPLIANCE	17,168	20,311	20,494	18,369	10,380 57%
55	ENVIRONMENTAL POLICY/PLANNING	1,225	1,599	1,689	1,731	898 52%
56	ENG RATING AND COMPLIANCE	1,867	2,195	2,155	2,537	793 31%
57	Sub-Total	57,251	54,421	53,906	54,404	36,609 67%
58	Transmission Engineering Sub-Total	57,251	54,421	53,906	54,404	36,609 67%
Trans. Services Transmission Acquisition and Ancillary Services						
BBL Acquisition and Ancillary Products and Services						
59	ANCILLARY SERVICES PAYMENTS	109,416	101,027	109,067	105,328	78,286 74%
60	OTHER PAYMENTS TO POWER SERVICES	9,403	9,617	9,393	9,393	7,045 75%
61	STATION SERVICES PAYMENTS	2,442	2,785	2,704	2,704	1,954 72%
62	Sub-Total	121,261	113,429	121,164	117,425	87,285 74%
Non-BBL Acquisition and Ancillary Products and Services						
63	LEASED FACILITIES	5,478	7,447	7,447	6,992	5,879 84%
64	GENERAL TRANSFER AGREEMENTS (SETTLEMENT)	9,716	18	-	-	451 0%
65	NON-BBL ANCILLARY SERVICES	2,323	19,240	13,904	13,762	5,074 37%
66	OVERSUPPLY DISPLACEMENT COSTS	2,702	-	-	-	- 0%
67	TRANSMISSION RENEWABLES	1,033	1,313	319	9	46 533%
68	Sub-Total	21,253	28,018	21,670	20,764	11,451 55%
69	Trans. Svcs. Acquisition and Ancillary Services Sub-Total	142,514	141,447	142,834	138,189	98,736 71%
Transmission Reimbursables						
Reimbursables						
70	EXTERNAL REIMBURSABLE SERVICES	8,894	8,528	5,367	5,126	10,304 201%
71	INTERNAL REIMBURSABLE SERVICES	1,747	1,113	2,860	2,650	1,540 58%
72	Sub-Total	10,641	9,641	8,227	7,777	11,844 152%
73	Transmission Reimbursables Sub-Total	\$ 10,641	\$ 9,641	\$ 8,227	\$ 7,777	\$ 11,844 152%

Report ID: 0061FY16

Transmission Services Detailed Statement of Revenues and Expenses

Run Date/Time: July 19, 2016 11:14

Requesting BL: TRANSMISSION BUSINESS UNIT

Through the Month Ended June 30, 2016

Data Source: EPM Data Warehouse

Unit of Measure: \$ Thousands

Preliminary/ Unaudited

% of Year Elapsed = 75%

	A	B	C	D <Note 1	E	F
	FY 2015	FY 2016			FY 2016	FY 2016
	Actuals	Rate Case	SOY Budget	Current EOY Forecast	Actuals	Actuals per Forecast
BPA Internal Support						
74 Additional Post-Retirement Contribution	\$ 18,819	\$ 19,143	\$ 19,143	\$ 16,440	\$ 14,357	87%
75 Agency Services G & A (excludes direct project support)	64,371	62,895	73,276	72,452	52,022	72%
76 BPA Internal Support Subtotal	83,190	82,038	92,419	88,892	66,379	75%
Other Income, Expenses, and Adjustments						
77 Bad Debt Expense	15	-	-	-	(1)	0%
78 Other Income, Expenses, Adjustments	(176)	-	-	1,328	1,328	100%
79 Undistributed Reduction	-	(2,100)	(12,252)	-	-	0%
80 Depreciation	221,596	237,924	237,571	237,571	178,912	75%
81 Amortization	2,199	2,098	2,451	2,451	1,626	66%
82 Total Operating Expenses	817,180	843,294	842,346	829,346	609,894	74%
83 Net Operating Revenues (Expenses)	219,789	250,579	240,700	241,314	204,811	85%
Interest Expense and (Income)						
84 Federal Appropriation	14,482	14,386	14,386	14,059	10,544	75%
85 Capitalization Adjustment	(18,968)	(18,968)	(18,968)	(18,968)	(14,226)	75%
86 Borrowings from US Treasury	86,006	113,793	113,793	92,533	68,523	74%
87 Debt Service Reassignment	34,324	24,143	24,143	24,114	18,079	75%
88 Customer Advances	6,825	2,173	6,176	5,400	4,283	79%
89 Lease Financing	48,647	57,640	53,637	51,998	38,147	73%
90 AFUDC	(44,553)	(42,886)	(42,886)	(29,000)	(25,200)	87%
91 Interest Income	(6,364)	(9,197)	(9,197)	(5,158)	(2,798)	54%
92 Net Interest Expense (Income)	120,399	141,083	141,083	134,978	97,353	72%
93 Total Expenses	937,579	984,378	983,429	964,323	707,247	73%
94 Net Revenues (Expenses)	\$ 99,390	\$109,496	\$ 99,616	\$106,336	\$107,458	101%

<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.

Report ID: 0067FY16
 Requesting BL: CORPORATE BUSINESS UNIT
 Unit of Measure: \$Thousands

BPA Statement of Capital Expenditures
 FYTD Through the Month Ended June 30, 2016
 Preliminary Unaudited

Run Date/Run Time: July 18, 2016/ 14:27
 Data Source: EPM Data Warehouse
 % of Year Elapsed = 75%

		FY 2016		FY 2016	FY 2016	
		SOY Budget	Current EOY Forecast	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
Transmission Business Unit						
MAIN GRID						
1	BIG EDDY-KNIGHT 500kv PROJECT	\$ 17,653	\$ 4,065	\$ 4,469	25%	110%
2	I-5 CORRIDOR UPGRADE PROJECT	14,068	20,880	16,379	116%	78%
3	CENTRAL FERRY- LOWER MONUMTAL	-	2,293	3,688	0%	161%
4	PORTLAND-VANCOUVER	-	(63)	(61)	0%	97%
5	TRI-CITIES AREA	-	(8)	(7)	0%	84%
6	MONTANA TO NW TRANS AREA	86	1,183	1,227	1428%	104%
7	MISC. MAIN GRID PROJECTS	264	(2,145)	(1,569)	-593%	73%
8	SEATTLE TO PORTLAND TRANS AREA	3,264	2,439	2,608	80%	107%
9	PUDGET SOUND TRANS AREA	706	2	7	1%	333%
10	TOTAL MAIN GRID	36,042	28,645	26,741	74%	93%
AREA & CUSTOMER SERVICE						
11	CITY OF CENTRALIA PROJECT	-	-	5	0%	0%
12	SOUTHERN IDAHO NW WYOMING AREA	9,824	3,536	2,436	25%	69%
13	LONGVIEW AREA	1,031	417	496	48%	119%
14	NW MONTANA AREA	397	442	247	62%	56%
15	MISC. AREA & CUSTOMER SERVICE	1,203	928	512	43%	55%
16	CENTRAL OREGON AREA	93	138	144	156%	105%
17	CENTRALIA-CHEHALIS AREA	6,452	9,641	7,293	113%	76%
18	DE MOSS-FOSSIL AREA	463	136	127	28%	94%
19	EUGENE AREA	5,685	8,204	6,333	111%	77%
20	HOOD RIVER-THE DALLES AREA	3,200	2,334	(1,435)	-45%	-61%
21	MID-COLUMBIA AREA	2,267	1,776	1,067	47%	60%
22	NORTH IDAHO AREA	13	12	7	54%	60%
23	NORTH OREGON COAST AREA	2,182	413	305	14%	74%
24	OLYMPIC PENINSULA AREA	2,591	4,047	3,761	145%	93%
25	PENDLETON-LA GRANDE AREA	26	-	-	0%	0%
26	PORTLAND AREA	1,117	65	1	0%	1%
27	SALEM-ALBANY AREA	383	251	83	22%	33%
28	SEATTLE-TACOMA-OLYMPIA AREA	19,297	23,219	18,690	97%	80%
29	SOUTH OREGON COAST AREA	40	(256)	(303)	-763%	118%
30	SW WASHINGTON COAST AREA	40	22	9	23%	41%
31	SPOKANE-COLVILLE-BOUNDARY AREA	-	288	279	0%	97%
32	TRI-CITES SERVICE AREA	34,720	57,809	41,612	120%	72%
33	VANCOUVER AREA	3,219	2,923	862	27%	29%
34	WALLA WALLA AREA	-	26	19	0%	72%
35	TOTAL AREA & CUSTOMER SERVICE	\$ 94,243	\$ 116,371	\$ 82,550	88%	71%

Report ID: 0067FY16
 Requesting BL: CORPORATE BUSINESS UNIT
 Unit of Measure: \$Thousands

BPA Statement of Capital Expenditures
 FYTD Through the Month Ended June 30, 2016
 Preliminary Unaudited

Run Date/Run Time: July 18, 2016/ 14:27
 Data Source: EPM Data Warehouse
 % of Year Elapsed = 75%

		FY 2016		FY 2016		FY 2016	
		SOY Budget	Current EOY Forecast	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast	
Transmission Business Unit (Continued)							
<u>SYSTEM REPLACEMENTS</u>							
36	TEAP - TOOLS	\$ 1,000	\$ 1,096	\$ 600	60%	55%	
37	TEAP - EQUIPMENT	8,734	7,165	2,902	33%	40%	
38	SPC - SER	3,015	4,314	1,992	66%	46%	
39	SPC - DFRS	59	65	80	134%	122%	
40	SPC - METERING	1,163	3,953	1,385	119%	35%	
41	SPC - CONTROL AND INDICATION	1,005	248	245	24%	99%	
42	SPC - RELAYS	26,443	25,058	13,778	52%	55%	
43	PSC - TELEPHONE SYSTEMS	1,851	1,360	637	34%	47%	
44	PSC - TRANSFER TRIP	6,816	7,748	4,101	60%	53%	
45	PSC - FIN/OP NETWORKS	1,097	259	155	14%	60%	
46	PSC - TLECOM TRANSPORT	2,803	4,221	2,444	87%	58%	
47	PSC - SCADA/TELEMTRY/SUP CNTRL	5,474	8,265	5,924	108%	72%	
48	PSC- TELECOM SUPPORT EQUIPMENT	2,935	5,255	2,820	96%	54%	
49	SUB DC - SUSTAIN	10,425	65	91	1%	141%	
50	SUB AC- BUS & STRUCTURES	1,851	349	146	8%	42%	
51	SUB AC - LOW VOLTAGE AUX.	20,559	21,681	14,275	69%	66%	
52	SUB AC- SHUNT CAPACITORS	780	170	342	44%	201%	
53	SUB AC-CIRCUIT BRKR & SWTCH GR	20,678	28,046	19,847	96%	71%	
54	SUB AC - CVT/PT/CT & ARRESTERS	2,234	3,555	2,254	101%	63%	
55	SUB AC-TRANSFORMERS & REACTORS	9,876	14,810	8,439	85%	57%	
56	LINES STEEL - SUSTAIN	15,998	11,666	5,051	32%	43%	
57	LINES WOOD POLES - SUSTAIN	64,918	54,925	27,036	42%	49%	
58	SYSTEM TELECOM - SUSTAIN	29,881	18,930	6,500	22%	34%	
59	MISC FACILITIES- NON-ELECTRIC	20,600	2,056	845	4%	41%	
60	SECURITY ENHANCEMENTS	9,099	14,861	9,735	107%	66%	
61	ACCESS ROADS	19,965	22,752	5,758	29%	25%	
62	CC SYSTEM INFRASTRUCTURE	9,685	8,059	6,676	69%	83%	
63	LAND RIGHTS - SUSTAIN	7,390	11,804	5,171	70%	44%	
64	LINE - RATINGS PROGRAM	17,188	5,514	5,094	30%	92%	
65	PSC - RAS	357	-	-	0%	0%	
66	SPC - RAS	2,063	-	-	0%	0%	
67	SPC - BUILDINGS	3,966	4,205	3,617	91%	86%	
68	TOTAL SYSTEM REPLACEMENTS	\$ 329,910	\$ 292,456	\$ 157,938	48%	54%	

Report ID: 0067FY16

Requesting BL: CORPORATE BUSINESS UNIT

Unit of Measure: \$Thousands

BPA Statement of Capital Expenditures

FYTD Through the Month Ended June 30, 2016

Preliminary Unaudited

Run Date/Run Time: July 18, 2016/ 14:27

Data Source: EPM Data Warehouse

% of Year Elapsed = 75%

		A	B	C	D	E
		FY 2016		FY 2016	FY 2016	
		SOY Budget	Current EOY Forecast	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
Transmission Business Unit (Continued)						
<u>UPGRADES & ADDITIONS</u>						
69	IT PROJECTS	\$ 3,781	\$ 3,810	\$ 3,003	79%	79%
70	SUB AC - UPGRADES & ADDITIONS	4,429	13,467	7,221	163%	54%
71	SUB DC - UPGRADES & ADDITIONS	92,376	92,658	87,149	94%	94%
72	CONTROL CENTERS-UPGRADE & ADD	661	17	22	3%	130%
73	SYSTEM TELECOM - UPGRADE & ADD	38,323	28,471	12,343	32%	43%
74	MISC. UPGRADES AND ADDITIONS	13	(1,757)	(1,504)	-11377%	86%
75	FACILITIES NON-ELECTRIC EXPAND	6,804	6,337	3,152	46%	50%
76	TOTAL UPGRADES & ADDITIONS	146,387	143,003	111,386	76%	78%
<u>ENVIRONMENT CAPITAL</u>						
77	MISC. ENVIRONMENT PROJECTS	6,992	10,447	6,567	94%	63%
78	TOTAL ENVIRONMENT CAPITAL	6,992	10,447	6,567	94%	63%
79	CAPITAL DIRECT	613,574	590,923	385,182	63%	65%
<u>PFIA</u>						
80	MISC. PFIA PROJECTS	6,156	2,689	1,782	29%	66%
81	GENERATOR INTERCONNECTION	13,222	(41)	(25)	0%	62%
82	SPECTRUM RELOCATION	985	246	64	6%	26%
83	TOTAL PFIA	20,363	2,893	1,821	9%	63%
84	CAPITAL INDIRECT	-	-	12,503	0%	0%
85	TOTAL Transmission Business Unit	\$ 633,937	\$ 593,817	\$ 399,506	63%	67%

Report ID: 0067FY16	BPA Statement of Capital Expenditures	Run Date/Run Time: July 18, 2016/ 14:27
Requesting BL: CORPORATE BUSINESS UNIT	FYTD Through the Month Ended June 30, 2016	Data Source: EPM Data Warehouse
Unit of Measure: \$Thousands	Preliminary Unaudited	% of Year Elapsed = 75%

		A	B	C	D	E
		FY 2016		FY 2016	FY 2016	
		SOY Budget	Current EOY Forecast	Actuals: FYTD	Actuals / SOY Budget	Actuals / Forecast
Power Business Unit						
86	BUREAU OF RECLAMATION <Note 1	\$ 57,200	\$ 41,640	\$ 30,061	53%	72%
87	CORPS OF ENGINEERS <Note 1	150,300	145,360	97,285	65%	67%
88	GENERATION CONSERVATION	-	-	(28)	0%	0%
89	POWER INFORMATION TECHNOLOGY	5,196	5,639	3,700	71%	66%
90	FISH & WILDLIFE <Note 2	40,000	25,000	12,154	30%	49%
91	TOTAL Power Business Unit	252,696	217,639	143,171	57%	66%
Corporate Business Unit						
92	CORPORATE BUSINESS UNIT	21,158	20,180	12,511	59%	62%
93	TOTAL Corporate Business Unit	21,158	20,180	12,511	59%	62%
94	TOTAL BPA Capital Expenditures	\$ 907,791	\$ 831,636	\$ 555,188	61%	67%

< 1 Excludes projects funded by federal appropriations.
 < 2 Amounts are reported as regulatory assets and not utility plant

Proposed Schedule for Slice True-Up Adjustment for Composite Cost Pool True-Up Table and Cost Verification Process

Dates	Agenda
August 2, 2016	Third Quarter Business Review Meeting with customers Slice True-Up Adjustment estimate for the Composite Cost Pool and review High Level explanation of variances between rate case forecast and Q3 forecast Q&A customers for any additional information of line items in the Slice True-Up Revisit any questions and data requests that were asked during Q2 as needed
October 2016	BPA external CPA firm conducting fiscal year audit
Mid-October 2016	Recording the End of Fiscal Year Slice True-Up Adjustment Accrual for the Composite Cost Pool in the financial system
End of October 2016	Final audited actual financial data is expected to be available
November 1, 2016	Fourth Quarter Business Review Meeting with customers Provide Slice True-Up Adjustment for the Composite Cost Pool (this is the number posted in the financial system and is expected to be the final number)

Proposed Schedule for Slice True-Up Adjustment for Composite Cost Pool True-Up Table and Cost Verification Process

November 14, 2016	Mail notification to Slice Customers of the Slice True-Up Adjustment for the Composite Cost Pool
November 16, 2016	BPA to post Composite Cost Pool True-Up Table containing actual values and the Slice True-Up Adjustment
December 8, 2016	Deadline for customers to submit questions about actual line items in the Composite Cost Pool True-Up Table with the Slice True-Up Adjustment for inclusion in the Agreed Upon Procedures (AUPs) Performed by BPA external CPA firm (customers have 15 business days following the posting of Composite Cost Pool Table containing actual values and the Slice True-Up Adjustment
December 22, 2016	BPA posts a response to customer questions (Attachment A does not specify an exact date)
January 9, 2017	Customer comments are due on the list of tasks (The deadline can not exceed 10 days from BPA posting)
January 31, 2017	BPA finalizes list of questions about actual lines items in the Composite Cost Pool True-Up Table for the AUPs

COMPOSITE COST POOL TRUE-UP TABLE

		Q3 (\$000)	Rate Case forecast for FY 2016 (\$000)	Q3 - Rate Case Difference
1	Operating Expenses			
2	Power System Generation Resources			
3	Operating Generation			
4	COLUMBIA GENERATING STATION (WNP-2)	\$ 258,248	\$ 262,948	\$ (4,700)
5	BUREAU OF RECLAMATION	\$ 137,614	\$ 156,818	\$ (19,204)
6	CORPS OF ENGINEERS	\$ 237,919	\$ 243,885	\$ (5,966)
7	LONG-TERM CONTRACT GENERATING PROJECTS	\$ 20,559	\$ 22,303	\$ (1,744)
8	Sub-Total	\$ 654,340	\$ 685,954	\$ (31,614)
9	Operating Generation Settlement Payment and Other Payments			
10	COLVILLE GENERATION SETTLEMENT	\$ 19,323	\$ 19,323	\$ -
11	SPOKANE LEGISLATION PAYMENT	\$ -	\$ -	\$ -
12	Sub-Total	\$ 19,323	\$ 19,323	\$ -
13	Non-Operating Generation			
14	TROJAN DECOMMISSIONING	\$ 734	\$ 800	\$ (66)
15	WNP-1&3 DECOMMISSIONING	\$ 506	\$ 800	\$ (294)
16	Sub-Total	\$ 1,240	\$ 1,600	\$ (360)
17	Gross Contracted Power Purchases			
18	PNCA HEADWATER BENEFITS	\$ 3,115	\$ 3,000	\$ 115
19	OTHER POWER PURCHASES (omit, except Designated Obligations or Purchases)	\$ 8,582	\$ -	\$ 8,582
20	Sub-Total	\$ 11,697	\$ 3,000	\$ 8,697
21	Bookout Adjustment to Power Purchases (omit)			
22	Augmentation Power Purchases (omit - calculated below)			
23	AUGMENTATION POWER PURCHASES	\$ -	\$ -	\$ -
24	Sub-Total	\$ -	\$ -	\$ -
25	Exchanges and Settlements			
26	RESIDENTIAL EXCHANGE PROGRAM (REP)	\$ 219,100	\$ 218,976	\$ 124
27	OTHER SETTLEMENTS	\$ -	\$ -	\$ -
28	Sub-Total	\$ 219,100	\$ 218,976	\$ 124
29	Renewable Generation			
30	RENEWABLES (excludes KIII)	\$ 28,543	\$ 30,939	\$ (2,396)
31	Sub-Total	\$ 28,543	\$ 30,939	\$ (2,396)
32	Generation Conservation			
33	CONSERVATION ACQUISITION (Conseravtion infr and purchases)	\$ 102,953	\$ 101,932	\$ 1,021
34	LOW INCOME WEATHERIZATION & TRIBAL	\$ 5,336	\$ 5,336	\$ -
35	ENERGY EFFICIENCY DEVELOPMENT	\$ 7,124	\$ 15,000	\$ (7,876)
36	DR & SMART GRID	\$ 970	\$ 1,245	\$ (275)
37	LEGACY	\$ 605	\$ 605	\$ -
38	MARKET TRANSFORMATION	\$ 12,531	\$ 12,531	\$ -
39	Sub-Total	\$ 129,520	\$ 136,649	\$ (7,129)
40	Power System Generation Sub-Total	\$ 1,063,763	\$ 1,096,440	\$ (32,678)

COMPOSITE COST POOL TRUE-UP TABLE

	Q3 (\$000)	Rate Case forecast for FY 2016 (\$000)	Q3 - Rate Case Difference
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COMPOSITE COST POOL TRUE-UP TABLE

		Q3 (\$000)	Rate Case forecast for FY 2016 (\$000)	Q3 - Rate Case Difference
88	Non-Energy Northwest Debt Service			\$ -
89	CONSERVATION DEBT SVC	\$ -	\$ -	\$ -
90	COWLITZ FALLS DEBT SVC	\$ 7,299	\$ 7,300	\$ (1)
91	NORTHERN WASCO DEBT SVC	\$ 1,931	\$ 1,931	\$ (0)
92	Sub-Total	\$ 9,230	\$ 9,231	\$ (1)
93	Non-Federal Debt Service Sub-Total	\$ 218,427	\$ 594,308	\$ (375,881)
94	Depreciation	\$ 139,201	\$ 140,201	\$ (1,000)
95	Amortization	\$ 88,350	\$ 82,350	\$ 6,000
96	Total Operating Expenses	\$ 1,798,910	\$ 2,406,748	\$ (607,838)
97				\$ -
98	Other Expenses			\$ -
99	Net Interest Expense	\$ 188,982	\$ 194,389	\$ (5,406)
100	LDD	\$ 37,549	\$ 39,865	\$ (2,317)
101	Irrigation Rate Discount Costs	\$ 22,146	\$ 22,146	\$ 0
102	Sub-Total	\$ 248,678	\$ 256,400	\$ (7,723)
103	Total Expenses	\$ 2,047,588	\$ 2,663,149	\$ (615,561)
104				\$ -
105	Revenue Credits			\$ -
106	Generation Inputs for Ancillary, Control Area, and Other Services Revenues	\$ 117,425	\$ 115,750	\$ 1,675
107	Downstream Benefits and Pumping Power revenues	\$ 17,892	\$ 17,219	\$ 672
108	4(h)(10)(c) credit	\$ 81,341	\$ 91,107	\$ (9,766)
109	Colville and Spokane Settlements	\$ 4,600	\$ 4,600	\$ -
110	Energy Efficiency Revenues	\$ 7,124	\$ 15,000	\$ (7,876)
111	Large Project Revenues	\$ -	\$ -	\$ -
112	Miscellaneous revenues	\$ 6,562	\$ 5,750	\$ 812
113	Renewable Energy Certificates	\$ 1,196	\$ 1,151	\$ 45
114	Pre-Subscription Revenues (Big Horn/Hungry Horse)	\$ 1,833	\$ 2,036	\$ (203)
115	Net Revenues from other Designated BPA System Obligations (Upper Baker)	\$ 307	\$ 457	\$ (150)
116	WNP-3 Settlement revenues	\$ 34,356	\$ 34,537	\$ (181)
117	RSS Revenues	\$ 3,049	\$ 3,049	\$ -
118	Firm Surplus and Secondary Adjustment (from Unused RHWM)	\$ 5,991	\$ 5,991	\$ -
119	Balancing Augmentation Adjustment	\$ 1,445	\$ 1,445	\$ -
120	Transmission Loss Adjustment	\$ 29,120	\$ 29,120	\$ -
121	Tier 2 Rate Adjustment	\$ 725	\$ 725	\$ -
122	NR Revenues	\$ 1	\$ 1	\$ -
123	Total Revenue Credits	\$ 312,967	\$ 327,937	\$ (14,970)
124				\$ -

COMPOSITE COST POOL TRUE-UP TABLE

		Q3 (\$000)	Rate Case forecast for FY 2016 (\$000)	Q3 - Rate Case Difference
125	Augmentation Costs (not subject to True-Up)			\$ -
126	Tier 1 Augmentation Resources (includes Augmentation RSS and Augmentation RSC adders)	\$ 12,493	\$ 12,493	\$ -
127	Augmentation Purchases	\$ -	\$ -	\$ -
128	Total Augmentation Costs	\$ 12,493	\$ 12,493	\$ -
129				\$ -
130	DSI Revenue Credit			\$ -
131	Revenues 10 aMW @ IP rate	\$ 26,650	\$ 33,560	\$ (6,910)
132	Total DSI revenues	\$ 26,650	\$ 33,560	\$ (6,910)
133				\$ -
134	Minimum Required Net Revenue Calculation			\$ -
135	Principal Payment of Fed Debt for Power	\$ 1,077,177	\$ 94,697	\$ 982,480
136	Irrigation assistance	\$ 61,066	\$ 61,066	\$ -
137	Sub-Total	\$ 1,138,243	\$ 155,763	\$ 982,480
138	Depreciation	\$ 139,201	\$ 140,201	\$ (1,000)
139	Amortization	\$ 88,350	\$ 82,350	\$ 6,000
140	Capitalization Adjustment	\$ (45,937)	\$ (45,937)	\$ -
141	Non-Cash Expenses	\$ 282,829	\$ -	\$ 282,829
142	Customer Proceeds	\$ 81,611	\$ -	\$ 81,611
143	Bond Call Premium/Discount	\$ -	\$ -	\$ -
144	PGE WNP3 Settlement	\$ (3,524)	\$ (3,524)	\$ -
145	Prepay Revenue Credits	\$ (30,600)	\$ (30,600)	\$ -
146	Non-Federal Interest (Prepay)	\$ 13,273	\$ 13,273	\$ -
147	Sub-Total	\$ 525,203	\$ 155,763	\$ 369,440
148	Principal Payment of Fed Debt plus Irrigation assistance exceeds non cash expenses	\$ 613,040	\$ (0)	
149	Minimum Required Net Revenues	\$ 613,040	\$ -	
150				
151	Annual Composite Cost Pool (Amounts for each FY)	\$ 2,333,504	\$ 2,314,145	\$ 19,359
152				
153	SLICE TRUE-UP ADJUSTMENT CALCULATION FOR COMPOSITE COST POOL			
154	TRUE-UP AMOUNT (Diff. between Rate Case and Forecast)	19,359		
155	Sum of TOCAs	0.9742386		
156	Adjustment of True-Up Amount when actual TOCAs < 100 percent	19,871		
157	TRUE-UP ADJUSTMENT CHARGE BILLED (26.61865 percent)	5,289		

Financial Disclosure

- The information contained in slides 3-14, 18-21, 27-32 and 42-58 was made publicly available by BPA on July 29, 2016 and contains BPA-approved financial information.
- The information contained in slides 15-17, 22-26, 33-39, and 41 was made publicly available by BPA on July 29, 2016 and contains information not sourced directly from BPA financial statements.