

BP-18 BPA Rate Proceeding

BP-18-FS-BPA-09-E01

Errata Corrections to Transmission Revenue Requirement Study, BP-18-FS-BPA-09

1. Table 1: Projected Net Revenues from Proposed Rates
Delete: Table 1.
Replace with: Attach Table 1 (dated 08/07/2017).

2. Table 8: Transmission Revised Revenue Test Income Statement
Delete: Table 8.
Replace with: Attached Table 8 (dated 08/07/2017).

3. Table 9: Transmission Revised Revenue Test Statement of Cash Flows
Delete: Table 9.
Replace with: Attached Table 9 (dated 08/07/2017).

4. Table 10: Transmission Revenues from Proposed Rates through the Repayment Period
Delete: Table 10.
Replace with: Attached Table 10 (dated 08/07/2017).

Table 1: Projected Net Revenues from Proposed Rates
(\$000s)

| | A | B | C |
|------------------------------------------|------------------|------------------|--------------------------------|
| | FY 2018 | FY 2019 | Rate Period Average |
| 1 PROJECTED REVENUES FROM PROPOSED RATES | 1,040,291 | 1,047,723 | 1,044,007 |
| 2 PROJECTED EXPENSES | <u>1,027,216</u> | <u>1,051,490</u> | <u>1,039,353</u> |
| 3 NET REVENUES | 13,076 | (3,767) | 4,654 |

**Table 8: Transmission Revised Revenue Test Income Statement
(\$000s)**

| | A | B |
|------------------------------------------------------|----------------|----------------|
| | FY 2018 | FY 2019 |
| 1 REVENUES FROM PROPOSED RATES | 1,040,291 | 1,047,723 |
| 2 OPERATING EXPENSES | | |
| 3 TRANSMISSION OPERATIONS | 167,050 | 168,007 |
| 4 TRANSMISSION ENGINEERING | 56,351 | 57,718 |
| 5 TRANSMISSION MAINTENANCE | 176,580 | 178,125 |
| 6 TRANSMISSION ACQUISITION & ANCILLARY SERVICES | 119,460 | 111,983 |
| 7 BPA INTERNAL SUPPORT | 93,940 | 95,607 |
| 8 OTHER INCOME, EXPENSES & ADJUSTMENTS | (7,548) | (8,539) |
| 9 DEPRECIATION & AMORTIZATION | 273,164 | 284,422 |
| 10 TOTAL OPERATING EXPENSES | 878,997 | 887,323 |
| 11 INTEREST EXPENSE | | |
| 12 INTEREST EXPENSE | | |
| 13 FEDERAL APPROPRIATIONS | 1,659 | 1,518 |
| 14 CAPITALIZATION ADJUSTMENT | (18,968) | (18,968) |
| 15 ON LONG-TERM DEBT | 100,999 | 106,597 |
| 16 AMORTIZATION OF CAPITALIZED BOND PREMIUMS | 561 | 561 |
| 17 DEBT SERVICE REASSIGNMENT INTEREST | 13,964 | 5,111 |
| 18 NON-FEDERAL INTEREST | 77,156 | 97,552 |
| 19 PREMIUMS/DISCOUNTS | - | 556 |
| 19 AFUDC | (24,733) | (24,819) |
| 20 INTEREST INCOME | (2,419) | (3,940) |
| 21 NET INTEREST EXPENSE | 148,219 | 164,168 |
| 22 TOTAL EXPENSES | 1,027,216 | 1,051,490 |
| 23 NET REVENUES | 13,076 | (3,767) |

**Table 9: Transmission Revised Revenue Test Statement of Cash Flows
(\$000s)**

| | A | B |
|-----------------------------------------------------------|----------------|----------------|
| | FY 2018 | FY 2019 |
| 1 CASH FROM CURRENT OPERATIONS: | | |
| 2 NET REVENUES | 13,076 | (3,767) |
| 3 DRAWDOWN OF CASH RESERVES FOR CAPITAL FUNDING | 15,000 | 15,000 |
| 4 EXPENSES NOT REQUIRING CASH: | | |
| 5 DEPRECIATION & AMORTIZATION | 273,164 | 284,422 |
| 6 TRANSMISSION CREDIT PROJECTS NET INTEREST | 4,325 | 4,111 |
| 7 AMORTIZATION OF CAPITALIZED BOND PREMIUMS | 561 | 561 |
| 8 CAPITALIZATION ADJUSTMENT | (18,968) | (18,968) |
| 9 NON-CASH REVENUES/ACCRUAL REVENUES | | |
| 10 LGIA | (17,256) | (14,767) |
| 11 AC INTERTIE CO/FIBER | (9,168) | (3,387) |
| 12 CASH FLOW ADJUSTMENT (RESERVE)/APPLICATION | (4,200) | 4,200 |
| 13 CASH PROVIDED BY CURRENT OPERATIONS | 256,532 | 267,405 |
| 14 CASH USED FOR CAPITAL INVESTMENTS: | | |
| 15 INVESTMENT IN: | | |
| 16 UTILITY PLANT | (505,808) | (521,577) |
| 17 CASH USED FOR CAPITAL INVESTMENTS | (505,808) | (521,577) |
| 18 CASH FROM TREASURY BORROWING AND APPROPRIATIONS: | | |
| 19 INCREASE IN LONG-TERM DEBT | 490,808 | 506,577 |
| 20 DEBT SERVICE REASSIGNMENT PRINCIPAL | (191,504) | (4,838) |
| 21 REPAYMENT OF CAPITAL LEASES | (1,874) | (12,466) |
| 22 REPAYMENT OF LONG-TERM DEBT | (45,950) | (213,963) |
| 23 REPAYMENT OF CAPITAL APPROPRIATIONS | (1,956) | (21,053) |
| 24 CASH FROM TREASURY BORROWING AND APPROPRIATIONS | 249,525 | 254,258 |
| 25 ANNUAL INCREASE (DECREASE) IN CASH | 249 | 85 |

1/ Line 25 must be greater than or equal to zero, otherwise net revenues will be added so that there are no negative cash flows for the year.

Table 10: Transmission Revenues from Proposed Rates through the Repayment Period
(\$000s)

| | A | B | C | D | E | F | G | H | I | J | K |
|-------------------------------|---------------------------|---------------------------------------------|---------------------------------------------------|--------------|------------------------------|----------------------------------|--------------------------------------|------------------------------------------|----------------------------------------------------|---------------------------------------------------------------|------------------------------|
| | REVENUES (STATEMENT A) | OPERATION & MAINTENANCE (STATEMENT E) | DEBT SERVICE OFFSETS (REV REQ STUDY DOC) | DEPRECIATION | NET INTEREST (TABLE D) | NET REVENUES (F=A-B-C-D-E) | NONCASH EXPENSES 1/ (COLUMN D) | FUNDS FROM OPERATION 2/ (H=F+G) | AMORTIZATION (REV REQ STUDY DOC, Chapter 11) | NON-FEDERAL PRINCIPAL (REV REQ STUDY DOC, Chapter 7) | NET POSITION (K=H-I-J) |
| YEAR | | | | | | | | | | | |
| COMBINED CUMULATIVE | | | | | | | | | | | |
| 1 | 1977 | 3,298,951 | 963,839 | 348,748 | 807,047 | 1,220,170 | (40,853) | 807,047 | 766,194 | 628,460 | |
| 2 | 1978-2016 | 22,724,227 | 10,659,129 | 0 | 5,156,689 | 5,555,070 | 1,353,341 | 4,708,973 | 7,270,129 | 6,190,753 | 773,227 |
| 137,734 | | | | | | | | | | | 306,148 |
| COST EVALUATION PERIOD | | | | | | | | | | | |
| 3 | 2017 | 1,082,156 | 604,801 | 0 | 259,548 | 143,160 | 74,646 | 246,516 | 256,162 | 96,439 | 201,768 |
| (42,046) | | | | | | | | | | | |
| RATE APPROVAL PERIOD | | | | | | | | | | | |
| 4 | 2018 | 1,040,291 | 605,833 | 0 | 273,164 | 148,219 | 13,076 | 228,457 | 241,532 | 47,906 | 193,377 |
| 249 | 2019 | 1,047,723 | 602,901 | 0 | 284,422 | 164,168 | (3,767) | 256,172 | 252,404 | 235,016 | 17,304 |
| 85 | | | | | | | | | | | |
| REPAYMENT PERIOD | | | | | | | | | | | |
| 6 | 2020 | 1,047,723 | 602,901 | (7,829) | 284,422 | 180,694 | (12,465) | 256,172 | 243,707 | 143,773 | 98,925 |
| 1,009 | 2021 | 1,047,723 | 602,901 | (8,071) | 284,422 | 180,871 | (12,399) | 256,172 | 243,773 | 142,268 | 100,084 |
| 1,420 | 2022 | 1,047,723 | 602,901 | (8,273) | 284,422 | 181,749 | (13,076) | 256,172 | 243,096 | 146,430 | 94,986 |
| 1,681 | 2023 | 1,047,723 | 602,901 | (8,419) | 284,422 | 183,158 | (14,339) | 256,172 | 241,833 | 140,747 | 99,237 |
| 1,849 | 2024 | 1,047,723 | 602,901 | (8,579) | 284,422 | 183,006 | (14,027) | 256,172 | 242,145 | 139,130 | 100,936 |
| 2,079 | 2025 | 1,047,723 | 602,901 | (8,743) | 284,422 | 187,779 | (18,636) | 256,172 | 237,536 | 133,745 | 101,328 |
| 2,463 | 2026 | 1,047,723 | 602,901 | (8,940) | 284,422 | 188,249 | (18,909) | 256,172 | 237,263 | 134,746 | 99,507 |
| 3,010 | 2027 | 1,047,723 | 602,901 | (9,079) | 284,422 | 190,049 | (20,569) | 256,172 | 235,603 | 129,873 | 102,308 |
| 3,422 | 2028 | 1,047,723 | 602,901 | (9,254) | 284,422 | 198,866 | (29,212) | 256,172 | 226,960 | 130,807 | 92,732 |
| 3,421 | 2029 | 1,047,723 | 602,901 | (9,398) | 284,422 | 194,489 | (24,691) | 256,172 | 231,481 | 134,510 | 93,982 |
| 2,989 | 2030 | 1,047,723 | 602,901 | (9,653) | 284,422 | 193,406 | (23,353) | 256,172 | 232,819 | 130,564 | 99,306 |
| 2,949 | 2031 | 1,047,723 | 602,901 | (9,860) | 284,422 | 192,698 | (22,438) | 256,172 | 233,734 | 131,294 | 99,491 |
| 2,950 | 2032 | 1,047,723 | 602,901 | (10,049) | 284,422 | 193,940 | (23,490) | 256,172 | 232,682 | 128,361 | 101,372 |
| 2,949 | 2033 | 1,047,723 | 602,901 | (10,243) | 284,422 | 196,008 | (25,365) | 256,172 | 230,807 | 114,404 | 113,453 |
| 2,950 | 2034 | 1,047,723 | 602,901 | (10,494) | 284,422 | 194,061 | (23,166) | 256,172 | 233,006 | 125,054 | 105,003 |
| 2,949 | 2035 | 1,047,723 | 602,901 | (10,682) | 284,422 | 200,183 | (29,100) | 256,172 | 227,071 | 95,663 | 128,459 |
| 2,949 | 2036 | 1,047,723 | 602,901 | (10,859) | 284,422 | 204,013 | (32,754) | 256,172 | 223,418 | 91,921 | 128,548 |
| 2,949 | 2037 | 1,047,723 | 602,901 | (11,028) | 284,422 | 209,585 | (38,156) | 256,172 | 218,016 | 110,898 | 104,169 |
| 2,949 | 2038 | 1,047,723 | 602,901 | (11,183) | 284,422 | 212,956 | (41,372) | 256,172 | 214,800 | 107,635 | 104,216 |
| 2,949 | 2039 | 1,047,723 | 602,901 | (11,357) | 284,422 | 215,707 | (43,949) | 256,172 | 212,222 | 104,311 | 104,962 |
| 2,949 | 2040 | 1,047,723 | 602,901 | (11,516) | 284,422 | 216,526 | (44,609) | 256,172 | 211,563 | 84,763 | 123,850 |
| 2,949 | 2041 | 1,047,723 | 602,901 | (11,662) | 284,422 | 224,105 | (52,042) | 256,172 | 204,130 | 112,097 | 89,083 |
| 2,949 | 2042 | 1,047,723 | 602,901 | (11,796) | 284,422 | 231,054 | (58,858) | 256,172 | 197,314 | 70,604 | 123,761 |
| 2,949 | 2043 | 1,047,723 | 602,901 | (11,985) | 284,422 | 237,179 | (64,793) | 256,172 | 191,378 | 67,007 | 121,422 |
| 2,949 | 2044 | 1,047,723 | 602,901 | (12,145) | 284,422 | 244,593 | (72,047) | 256,172 | 184,124 | 61,495 | 119,680 |
| 2,949 | 2045 | 1,047,723 | 602,901 | (12,231) | 284,422 | 251,228 | (78,596) | 256,172 | 177,576 | 50,000 | 123,319 |
| 4,257 | 2046 | 1,047,723 | 602,901 | (12,367) | 284,422 | 258,281 | (85,513) | 256,172 | 170,659 | 43,083 | 123,319 |
| 4,258 | 2047 | 1,047,723 | 602,901 | (12,517) | 284,422 | 264,677 | (91,759) | 256,172 | 164,413 | 160,155 | - |
| 4,257 | 2048 | 1,047,723 | 602,901 | (12,688) | 284,422 | 272,721 | (99,632) | 256,172 | 156,540 | 152,283 | - |
| 4,257 | 2049 | 1,047,723 | 602,901 | (12,803) | 284,422 | 277,528 | (104,324) | 256,172 | 151,848 | 147,591 | - |
| 4,257 | 2050 | 1,047,723 | 602,901 | (12,897) | 284,422 | 284,884 | (111,586) | 256,172 | 144,585 | 140,328 | - |
| 4,257 | 2051 | 1,047,723 | 602,901 | (12,979) | 284,422 | 292,667 | (119,287) | 256,172 | 136,885 | 132,628 | - |
| 4,257 | 2052 | 1,047,723 | 602,901 | (13,131) | 284,422 | 300,925 | (127,393) | 256,172 | 128,779 | 124,521 | - |
| 4,257 | 2053 | 1,047,723 | 602,901 | (13,258) | 284,422 | 309,704 | (136,045) | 256,172 | 120,127 | 115,870 | - |
| 4,257 | 2054 | 1,047,723 | 602,901 | (13,394) | 284,422 | 319,019 | (145,224) | 256,172 | 110,947 | 106,690 | - |
| 4,257 | | | | | | | | | | | |
| TRANSMISSION TOTALS | | | | | | | | | | | |
| 41 | | 65,863,660 | 34,538,026 | (30,617) | 16,735,638 | 15,097,344 | (476,731) | 15,213,174 | 15,879,259 | 11,283,822 | 4,083,112 |
| 512,326 | | | | | | | | | | | |

1/CONSISTS OF DEPRECIATION PLUS ANY ACCOUNTING WRITE-OFFS INCLUDED IN EXPENSES.
2/INCLUDES ADJUSTMENTS FOR NON-CASH REVENUES OR OTHER ACCRUAL TO CASH ADJUSTMENTS.