

Quarterly Business Review

FY 2009 Financial Results

February 10, 2009



Agenda

- Introduction & Background
- Current Issues
 - Stimulus Package – Dave Armstrong, CFO (no hand-outs)
 - IPR 2 Schedule
- Financial Highlights: Review of 1st Quarter FY 2009 Financial Results and 1st Quarter Forecast
- Discussion of Potential Changes in Reports for Future QBR Meetings
- Appendix – Detailed Power and Transmission Services Income Statements



Background of QBR

- In the Regional Dialogue Policy, BPA committed to a model which provides extensive opportunity for stakeholders as well as customers to review and give input to our forecasts of spending levels prior to finalizing them. The Integrated Program Review process we just completed is one part of the overall Integrated Business Review structure. It is designed to allow persons interested in BPA's program levels an opportunity to review and comment on all of BPA's expense and capital spending level estimates in the same forum prior to their use in setting rates. BPA intends to hold an IPR every two years, just prior to each rate case.
- The Quarterly Business Review (QBR) is the second part of the Integrated Business Review structure BPA committed to in the Regional Dialogue, and it is intended to be a forum to provide financial forecasts, current financial results compared to forecasts, periodic updates to capital plans as they change, and information on upcoming issues that could have an impact on future financial results.
- More information can be found at <http://www.bpa.gov/corporate/Finance/ibr/>



Current Issues



IPR 2 Schedule

- In the November Close-out Letter for IPR, BPA stated “prior to submitting the final rate proposals in July 2009, BPA will assess any new or updated information available and determine if we believe further cost changes are appropriate. We will conduct an abbreviated public review of these costs in the March/April time frame, with the results being incorporated into the final rate proposals.”
- Currently one workshop has been scheduled for March 19th. Additional workshops may be added.
- The public comment period will be from March 19, 2009 to April 19, 2009.
- BPA will carefully consider all comments and will issue a Close-out Letter. Results of this process will be reflected in the final rate proposals.



Financial Highlights



Quarterly Review

FY 2009
EXECUTIVE HIGHLIGHTS
January 23, 2009

(\$ in Millions)

	A	B	FY 2009 Current Expectation	
			C	D
	FY 2008 Audited Actuals without FAS 133 & Bookouts ^{1/}	FY 2009 SOY without FAS 133 & Bookouts ^{2/}	without FAS 133 & Bookouts ^{2/}	with FAS 133 & Bookouts ^{3/}
1. REVENUES	3,176.9	3,299.1	2644 - 3,388	2,585 - 3,329
2. EXPENSES	2,881.5	3,034.6	2890 - 3261	2,871 - 3,242
3. NET REVENUES ^{4/}	295.4	264.5	(246) - 127 ^{7/}	(285) - 86 ^{7/}
4. MODIFIED NET REVENUES ^{4/}	157.4	157.5	(305) - 66 ^{7/}	(305) - 66 ^{7/}
5. END OF YEAR FINANCIAL RESERVES ^{5/}	1,646.4	1,572.0	1,119 - 1,451 ^{7/}	1,119 - 1,451 ^{7/}
6. BPA ACCRUED CAPITAL EXPENDITURES ^{6/}	290.3	497.5	511.6	511.6

Footnotes

- 1/ Does not include mark-to-market adjustments required by SFAS 133 or reflect the change in accounting for power "bookout" transactions made after adoption of new accounting guidance, EITF 03-11, which was effective as of Oct 1, 2003. Actual Net Revenues for FY 2008 with the mark-to-market adjustments were \$264.8 million.
- 2/ Columns B and C do not reflect the change in accounting for power "bookout" transactions made after adoption of new accounting guidance, EITF 03-11, which was effective as of Oct 1, 2003.
- 3/ Includes an "accounting only" (no cash impact) adjustment representing the mark-to-market (MTM) adjustment required by SFAS 133 for identified derivative instruments.
- 4/ Net revenues include the effects of non-federal debt management and SFAS 133. Modified net revenues were developed without these line items. An example of non-federal debt management is the refinancing of ENW debt.
- 5/ Financial reserves equal total cash plus deferred borrowing and investments in non-marketable U.S. Treasury securities.
- 6/ Funded by borrowing from the U.S. Treasury.
- 7/ There is significant uncertainty regarding the potential financial 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, which also can affect net secondary sales.



Report ID: 0020FY09

Requesting BL: CORPORATE BUSINESS UNIT

Unit of measure: \$ Thousands

FCRPS Summary Statement of Revenues and Expenses

Through the Month Ended December 31, 2008

Preliminary/ Unaudited

Run Date/Run Time: February 06,2009/ 05:56

Data Source: EPM Data Warehouse

% of Year Lapsed = 25%

	A	B	C	D	E <Note 3
	Actuals: FY 2008	Actuals: FYTD 2008	Target SOY: FY 2009	Actuals: FYTD 2009	Forecast: Qtr 1 FY 2009
Operating Revenues					
1 Gross Sales (excluding bookout adjustment) <Note 1	3,007,051	768,804	3,140,496	746,045	2,876,298
2 Bookout adjustment to Sales <Note 1	(109,704)	(11,759)		(19,526)	(19,526)
3 Miscellaneous Revenues	64,843	16,290	63,421	13,782	57,356
4 Derivatives - Mark to Market Gain (Loss) <Note 2	(30,564)	(16,120)		(39,947)	(39,947)
5 U.S. Treasury Credits	104,992	24,105	95,171	22,739	89,451
6 Total Operating Revenues	3,036,618	781,320	3,299,088	723,093	2,963,631
Operating Expenses					
Power System Generation Resources					
Operating Generation Resources					
7 Columbia Generating Station	236,736	52,470	293,450	79,714	314,800
8 Bureau of Reclamation	72,110	15,134	82,100	16,252	82,100
9 Corps of Engineers	178,442	38,530	179,500	32,977	179,500
10 Long-term Contract Generating Projects	27,080	5,971	31,613	6,244	31,961
11 Operating Generation Settlement Payment	20,499	4,338	20,909	5,227	20,909
12 Non-Operating Generation	1,428	380	2,904	442	704
13 Gross Contracted Power Purchases and Augmentation Power Purch <Note 1	529,433	139,490	189,618	135,515	229,826
14 Bookout Adjustment to Power Purchases <Note 1	(109,704)	(11,759)		(19,526)	(19,526)
15 Exchanges & Settlements	329	76,930	251,416	43,372	179,513
16 Renewable and Conservation Generation	94,954	21,597	124,214	19,264	117,714
17 Subtotal Power System Generation Resources	1,051,305	343,080	1,175,725	319,480	1,137,501
18 Power Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 4	44,652	10,168	51,250	12,452	51,370
19 Power Services Non-Generation Operations	66,851	17,083	76,421	16,266	77,568
20 Transmission Operations	96,817	22,329	115,544	23,435	116,434
21 Transmission Maintenance	115,183	23,031	109,395	28,237	125,656
22 Transmission Engineering	21,157	3,822	24,505	6,352	24,933
23 Trans Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 4, 5	6,190	1,363	17,844	1,610	6,675
24 Transmission Reimbursables	11,964	2,684	10,000	1,844	10,000
25 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	176,405	30,261	230,546	33,244	230,866
BPA Internal Support					
26 Additional Post-Retirement Contribution	18,000	4,500	30,554	7,639	30,554
27 Agency Services G&A	103,526	23,048	90,951	23,141	90,925
28 Other Income, Expenses & Adjustments	(5,802)	36	1,600	(118)	620
29 Non-Federal Debt Service <Note 5	479,493	121,274	519,583	123,952	523,391
30 Depreciation & Amortization <Note 5	358,064	88,531	379,227	88,001	369,579
31 Total Operating Expenses	2,543,805	691,211	2,833,144	685,532	2,796,071
32 Net Operating Revenues (Expenses)	492,813	90,109	465,944	37,561	167,560
Interest Expense and (Income)					
33 Interest Expense	340,658	79,851	308,669	81,312	326,246
34 AFUDC	(32,057)	(5,706)	(24,300)	(8,142)	(33,604)
35 Interest Income	(80,633)	(18,529)	(82,908)	(18,962)	(80,079)
36 Net Interest Expense (Income)	227,968	55,616	201,461	54,208	212,563
37 Net Revenues (Expenses) from Continuing Operations	264,845	34,493	264,483	(16,646)	(45,003)
38 Net Revenues (Expenses)	\$264,845	\$34,493	\$264,483	(\$16,646)	(\$45,003)

<1 For BPA management reports, Gross Sales and Purchase Power are shown separated from the power bookout adjustment (EITF 03-11, effective as of Oct 1, 2003) to provide a better picture of our gross sales and purchase power.

<2 This is an "accounting only" (no cash impact) adjustment representing the mark-to-market (MTM) adjustment required by SFAS 133, as amended, for identified derivative instruments

The MTM adjustment is excluded in calculating Modified Net Revenues for rate setting purposes.

<3 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.

<4 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.

<5 Beginning in FY 2004, consolidated actuals reflect the inclusion of transactions associated with a Variable Interest Entity (VIES), which is in accordance with the FASB Interpretation No. 46 (FIN 46) that is effective as of December, 2003. VIES information is not included in rate case and budget data.



B O N N E V I L L E P O W E R A D M I N I S T R A T I O N

Report ID: 0021FY09	Power Services Summary Statement of Revenues and Expenses	Run Date/Time: January 29, 2009 15:32
Requesting BL: POWER BUSINESS UNIT	Through the Month Ended December 31, 2008	Data Source: EPM Data Warehouse
Unit of measure: \$ Thousands	Preliminary/ Unaudited	% of Year Lapsed = 25%

	A	B	C	D	E <Note 3	
	Actuals: FY 2008	Actuals: FYTD 2008	Target SOY: FY 2009	Actuals: FYTD 2009	Forecast: Qtr 1 FY 2009	
Operating Revenues						
1	Gross Sales (excluding bookout adjustment) <Note 1	2,323,087	607,499	2,458,640	578,383	2,204,939
2	Bookout adjustment to Sales <Note 1	(109,704)	(11,759)		(19,526)	(19,526)
3	Miscellaneous Revenues	27,295	6,951	30,921	7,514	23,572
4	Inter-Business Unit	68,582	15,221	79,306	18,508	77,276
5	Derivative Instruments <Note 2	(30,564)	(16,120)		(39,947)	(39,947)
6	U.S. Treasury Credits	104,992	24,105	95,171	22,739	89,451
7	Total Operating Revenues	2,383,688	625,896	2,664,037	567,671	2,335,765
Operating Expenses						
Power System Generation Resources						
Operating Generation Resources						
8	Columbia Generating Station	236,736	52,470	293,450	79,714	314,800
9	Bureau of Reclamation	72,110	15,134	82,100	16,252	82,100
10	Corps of Engineers	178,442	38,530	179,500	32,977	179,500
11	Long-term Contract Generating Projects	27,080	5,971	31,613	6,244	31,961
12	Operating Generation Settlement Payment	20,499	4,338	20,909	5,227	20,909
13	Non-Operating Generation	1,428	380	2,904	442	704
14	Gross Contracted Power Purchases and Aug Power Purchases <Note 1	529,433	139,490	189,618	135,515	229,826
15	Bookout Adjustment to Power Purchases <Note 1	(109,704)	(11,759)		(19,526)	(19,526)
16	Residential Exchange/IOU Settlement Benefits	329	76,930	251,416	43,372	179,513
17	Renewable and Conservation Generation	95,070	21,597	124,214	19,269	117,714
18	Subtotal Power System Generation Resources	1,051,421	343,080	1,175,725	319,485	1,137,501
19	Power Services Transmission Acquisition and Ancillary Services	165,861	36,909	175,098	37,239	162,978
20	Power Non-Generation Operations	66,899	17,083	76,421	16,271	77,568
21	Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	176,594	30,261	230,866	33,283	230,866
BPA Internal Support						
22	Additional Post-Retirement Contribution	9,000	2,250	15,277	3,819	15,277
23	Agency Services G&A	48,160	10,831	46,503	11,670	46,487
24	Other Income, Expenses & Adjustments	(3,283)	44	3,600	(288)	2,190
25	Non-Federal Debt Service	512,918	131,300	494,726	118,496	504,920
26	Depreciation & Amortization	183,466	44,642	188,579	44,655	188,579
27	Total Operating Expenses	2,211,037	616,401	2,406,794	584,631	2,366,366
28	Net Operating Revenues (Expenses)	172,651	9,495	257,244	(16,960)	(30,600)
Interest Expense and (Income)						
29	Interest Expense	216,464	53,858	211,713	52,224	208,560
30	AFUDC	(15,160)	(3,117)	(14,800)	(3,734)	(15,700)
31	Interest Income	(58,558)	(14,363)	(64,163)	(12,515)	(52,159)
32	Net Interest Expense (Income)	142,746	36,379	132,750	35,975	140,701
33	Net Revenues (Expenses) from Continuing Operations	29,905	(26,883)	124,494	(52,935)	(171,301)
34	Net Revenues (Expenses)	\$29,905	(\$26,883)	\$124,494	(\$52,935)	(\$171,301)

<1 For BPA management reports, Gross Sales and Purchase Power are shown separated from the power bookout adjustment (EITF 03-11, effective as of Oct 1, 2003) to provide a better picture of our gross sales and gross purchase power.

<2 This is an "accounting only" (no cash impact) adjustment representing the mark-to-market (MTM) adjustment required by SFAS 133, as amended, for identified derivative instruments. The MTM adjustment is excluded in calculating Modified Net Revenues for rate setting purposes.

<3 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: 0022FY08
 Requesting BL: CORPORATE BUSINESS UNIT
 Unit of measure: \$ Thousands

Schedule of Net Revenue (Expense) to Modified Net Revenue
 Through the Month Ended December 31, 2008 as of December 31, 2008
 Preliminary/ Unaudited

Run Date/Time: January 31, 2009 06:26
 Data Source: EPM Data Warehouse
 % of Year Lapsed = 25%

	A	B	C	D
	Actuals: FY 2000 to FY 2007	Forecast: Current Qtr FY 2009	Forecast: Accumulated MNR FY 2000 to FY 2009 (A) + (B)	Actuals: FYTD 2009
Power Services				
1 Power Net Revenue (Expense)	\$1,135,444	(\$171,301)	\$964,143	(\$52,935)
Power Modified Net Revenue Adjustments:				
2 SFAS 133 Adjustments (MTM)	50,441	(39,947)	10,494	(39,947)
3 EN Debt Adjustments	(1,015,995)	(49,900)	(1,065,895)	(22,267)
4 Power Modified Net Revenue Adjustments <Note 1	(1,066,436)	(9,953)	(1,076,389)	17,680
5 Power Modified Net Revenue <Note 2	\$69,008	(\$181,254)	(\$112,246)	(\$35,255)
6 FCRPS Modified Net Revenue <Note 1	\$329,821	(\$92,456)	\$237,365	(\$7,503)

<1 Consistent with the General Rate Schedule Provisions, the Modified Net Revenue (MNR) is an adjustment to Net Revenues for the purpose of calculating the rate case Cost Recovery Adjustment Clause (CRAC). The MNR excludes the impact of SFAS 133 transactions (Accounting for Derivative Instruments and Hedging Activities). The MNR also excludes the Energy Northwest (EN) debt service expenses actual (or forecasted) amounts and includes the rate case amounts for EN debt service, thus excluding the effect of debt refinancing from BPA's cost recovery clause. The rate case amounts for EN debt service for 2008 may be updated based on the results of the WP-07 Supplemental Power Rate Case.

<2 The final CRAC and DDC levels are set in August and are based on the 3rd Quarter forecast of PS MNR; however, the PS MNR forecast used in the August AMNR calculation may include adjustments to reflect events that occur subsequent to the 3rd Quarter forecast.



Report ID: 0023FY09 **Transmission Services Summary Statement of Revenues and Expenses** Run Date/Time: February 06, 2009/ 05:56
 Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended December 31, 2008 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands Preliminary/ Unaudited % of Year Lapsed = 25%

	A	B	C	D	E	F <Note 1>
	Actuals: FY 2008	Actuals: FYTD 2008	Rate Case: FY 2009	SOY Target: FY 2009	Actuals: FYTD 2009	Current EOY Forecast
Operating Revenues						
1 Sales	\$683,964	\$161,305	\$647,263	\$681,857	\$167,662	\$671,358
2 Miscellaneous Revenues	37,548	9,339	32,605	32,500	6,268	33,783
3 Inter-Business Unit Revenues	122,703	26,741	107,951	117,453	25,052	115,780
4 Total Operating Revenues	\$844,215	\$197,386	\$787,819	\$831,809	\$198,982	\$820,921
Operating Expenses						
5 Transmission Operations	96,891	22,329	88,288	115,544	23,435	116,434
6 Transmission Maintenance	115,183	23,031	97,481	109,395	28,237	125,656
7 Transmission Engineering	21,157	3,822	17,557	24,505	6,352	24,933
8 Trans Services Transmission Acquisition and Ancillary Services <Note 2	74,698	16,584	76,605	97,149	20,117	85,032
9 Transmission Reimbursables	11,964	2,684	10,000	10,000	1,844	10,000
BPA Internal Support						
10 Additional Post-Retirement Contribution	9,000	2,250	15,277	15,277	3,819	15,277
11 Agency Services G&A	55,366	12,217	68,524	44,448	11,471	44,438
12 Other Income, Expenses & Adjustments	(1,379)	48	(2,000)	(2,000)	510	(1,570)
13 Non-Federal Debt Service <Note 2		2,125	11,544	6,886		
14 Depreciation & Amortization <Note 2	174,599	43,889	198,535	190,648	43,345	181,000
15 Total Operating Expenses	\$557,478	\$128,979	\$581,811	\$611,853	\$139,131	\$601,199
16 Net Operating Revenues (Expenses)	\$286,737	\$68,406	\$206,008	\$219,956	\$59,852	\$219,722
Interest Expense and (Income)						
17 Interest Expense	175,331	38,778	185,616	152,927	43,081	173,657
18 AFUDC	(16,897)	(2,140)	(10,798)	(9,500)	(3,817)	(17,904)
19 Interest Income	(22,075)	(4,166)	(9,876)	(18,745)	(7,142)	(27,920)
20 Net Interest Expense (Income)	\$136,360	\$32,472	\$164,942	\$124,682	\$32,122	\$127,833
21 Net Revenues (Expenses) from Continuing Operations	\$150,378	\$35,934	\$41,066	\$95,274	\$27,729	\$91,889
22 Net Revenues (Expenses)	\$150,378	\$35,934	\$41,066	\$95,274	\$27,729	\$91,889

<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.
 <2 Beginning in FY 2004, consolidated actuals reflect the inclusion of transactions associated with a Variable Interest Entity (VIES), which is in accordance with the FASB Interpretation No. 46 (FIN 46) that is effective as of December, 2003. VIES information is not included in rate case and budget data.



BPA FY 2009 Capital Expenditures

\$ in thousands

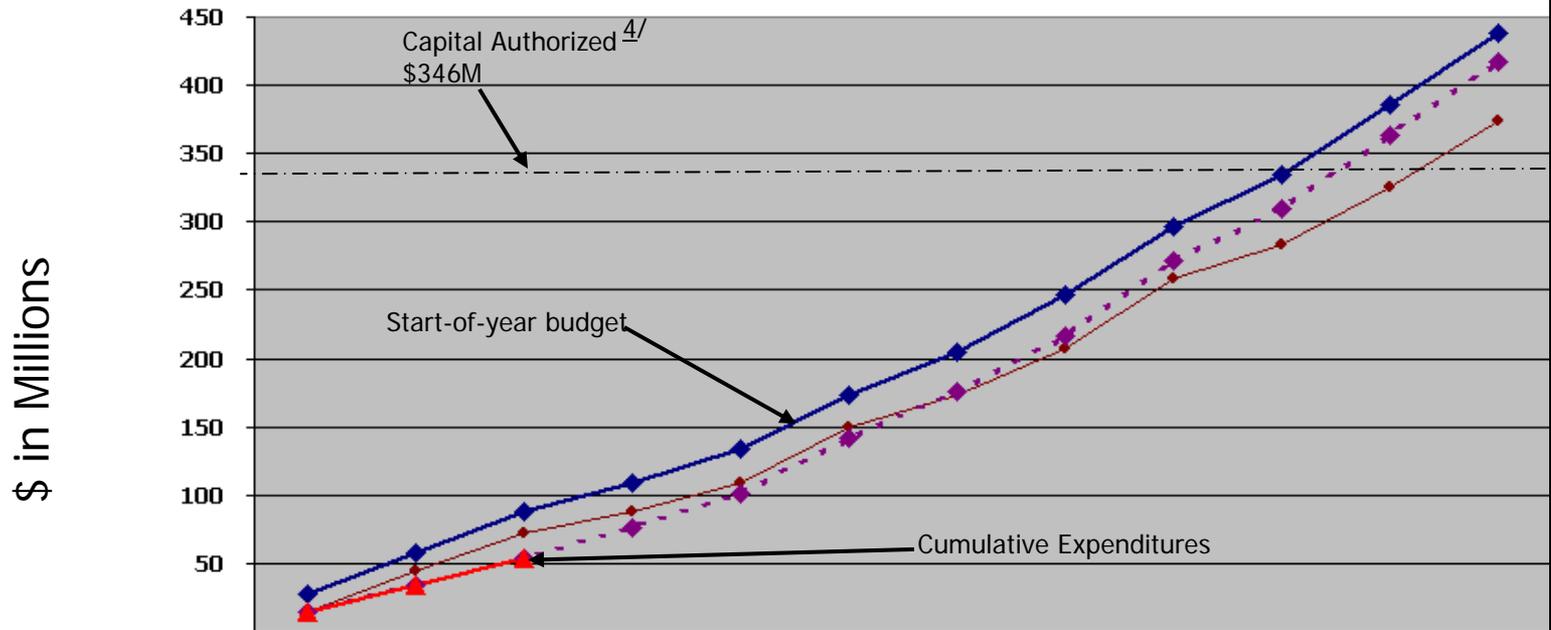
<i>Capital Expenditures</i>	SOY Target: FY 2009	1st QTR Forecast	Actuals Oct. - Dec. 2009
FCRPS	\$ 623,740	\$ 703,726	\$ 86,155
Power Services	\$ 229,114	\$ 247,556	\$ 26,112
Transmission Services	\$ 373,886	\$ 416,941	\$ 53,830

Start of Year Target includes 15% lapse factor for Power Services, not including Fish & Wildlife, and a 15% lapse factor for Transmission Services.



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

Capital Project Plan of \$438M & Expenditures ^{2/}



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ SOY Budget	28	58	88	109	134	173	205	246	297	335	386	438
● SOY Bud w/Lapse	14	45	72	88	109	149	173	207	259	284	326	374
◆ EOY Forecast	14	34	54	76	101	142	176	217	271	310	363	417
▲ FYTD Expenditures	14	34	54									
^{3/} Master Lease Exp.	3	11	15									

^{1/} Capital including spacer dampers scoring against borrowing authority plus master lease, radio spectrum, customer financing, and PFIA.

^{2/} Excludes lapse factor.

^{3/} These master leased financed projects are included in the fiscal year-to-date actuals shown above.

^{4/} Projects approved and allocation received to date. – loaded. Excludes K, J, N organizations that are included in Transmission SOY Budget, AFUDC and Corporate Overhead.



B O N N E V I L L E P O W E R A D M I N I S T R A T I O N

Report ID: 0384FY09
 Unit of Measure: \$Dollars
 Data Source: PS EPM

Bonneville Power Administration Transmission Services Capital Spending Program by Subportfolio YTD Through the Month Ended December 31, 2008

Run Date/Time: February 04, 2009: 14:47
 Fiscal Year: 2009
 % of Year Lapsed = 25%

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
CAPITAL DIRECT - Project 0001009 (CWIP and RWIP without AFUDC)		SOY BUDGET - UNLOADED FY 2009	ALLOCATION - UNLOADED FY 2009	CURRENT FORECAST - UNLOADED FY 2009	ACTUALS - UNLOADED Dec 2009	ACTUALS - UNLOADED FYTD 2009	% ACTUALS TO SOY BUDGET	% ACTUALS TO ALLOCATION	% ACTUALS TO FORECAST
0001032	MAIN GRID								
0005335	OLYMPIC PENINSULA PROJECT	27,711,673	27,711,673	27,711,673	322,612	1,368,423	4%	5%	5%
0005333	WEST OF MCNARY INTEGRATION PRO	18,000,000	989,784	18,000,000	100,766	277,211	1%	28%	2%
0005336	I-5 CORRIDOR UPGRADE PROJECT	350,000	150,028	350,000	4,531	20,635	5%	14%	6%
0005337	LIBBY-TROY LINE REBUILD	13,288,000	9,729,887	9,712,723	258,973	1,320,362	8%	14%	14%
0005338	MISC. MAIN GRID PROJECTS	7,638,787	3,157,042	7,638,787	1,512,275	1,574,158	17%	50%	21%
0001032	Total Main Grid	\$ 66,968,460	\$ 41,738,414	\$ 63,413,183	\$ 2,199,157	\$ 4,560,788	6%	11%	7%
0001038	UPGRADES & ADDITIONS								
0005121	SECURITY ENHANCEMENTS 1/	6,859,823	6,120,353	6,859,823	69,583	350,615	4%	6%	5%
0005193	ACCESS ROADS PROGRAM	12,345,465	12,918,465	12,345,465	105,756	1,000,601	7%	8%	8%
0005342	CELILO UPGRADES PROJECT	0	0	0	22,249	71,175			
0005516	CONTROL CENTERS	5,768,950	3,768,950	5,768,950	364,989	671,837	10%	18%	12%
0005191	FIBER OPTICS AND TERMINALS	1,589,325	1,444,325	1,589,325	221,531	232,549	12%	16%	15%
0005343	MISC. UPGRADES AND ADDITIONS	23,199,519	28,909,971	25,942,872	2,173,649	5,879,372	21%	20%	23%
0001038	Total Upgrades & Additions	\$ 49,763,082	\$ 53,162,064	\$ 52,506,435	\$ 2,957,736	\$ 8,206,148	13%	15%	16%
0001034	AREA & CUSTOMER SERVICE								
0005339	CITY OF CENTRALIA PROJECT	3,929,530	3,929,530	3,929,530	63,743	507,396	11%	13%	13%
0005340	LOWER VALLEY (CARIBOU) PROJECT	6,457,995	6,457,995	6,457,995	23,394	45,658	1%	1%	1%
0005341	MISC. AREA & CUSTOMER SERVICE	4,180,004	5,947,742	7,180,004	346,310	1,211,058	24%	20%	17%
0001034	Total Area & Customer Service	\$ 14,567,529	\$ 16,335,267	\$ 17,567,529	\$ 433,447	\$ 1,764,112	10%	11%	10%
0001036	SYSTEM REPLACEMENTS								
0005194	TL WOOD POLE REPLACEMENTS	6,289,007	6,289,007	6,289,007	245,188	935,671	12%	15%	15%
0005130	TL SPACER DAMPER REPLACEMENT	12,425,428	12,425,428	12,425,428	-54,592	-239,979	-2%	-2%	-2%
0005518	TL INSULATORS	1,511,862	411,862	1,511,862	2,874	30,613	2%	7%	2%
0001176	TOOLS & WORK EQUIPMENT	9,472,645	4,541,645	9,472,645	175,513	-318,936	-3%	-7%	-3%
0001174	SPC REPLACEMENTS	2,615,550	2,615,550	2,615,550	108,155	301,602	9%	11%	12%
0001175	PSC REPLACEMENTS	7,184,115	7,461,115	7,184,115	394,902	1,948,940	22%	26%	27%
0004530	SUB SWITCHGEAR	5,101,074	5,326,074	5,101,074	90,788	444,329	7%	8%	9%
0005517	SUB CAPACITORS	0	0	0	0	0			
0004454	SUB CIRCUIT BREAKER REPLACMENT	1,148,000	3,146,000	1,148,000	59,109	612,215	44%	19%	53%
0001173	SUB MISC. SUBSTATION EQUIPMENT	845,079	967,135	845,079	152,595	842,087	82%	87%	100%
0005140	SUB CVT/PTCT REPLACEMENT	150,000	251,000	150,000	12,013	65,452	36%	26%	44%
0005131	SUB TRANSFORMER	31,140,420	36,858,420	31,140,420	897,608	4,295,059	11%	12%	14%
0005515	CELILO REPLACEMENTS	21,143,405	21,143,405	21,143,405	281,494	514,038	2%	2%	2%
0005345	MISC. REPLACEMENT PROJECTS	18,473,641	16,248,998	18,473,641	2,994,276	4,089,997	18%	25%	22%
0005514	MISC FACILITIES- NON-ELECTRIC 2/	10,329,866	5,878,015	10,560,143	1,332	1,332	0%	0%	0%
0001036	Total System Replacements	\$ 127,830,092	\$ 123,613,654	\$ 128,060,369	\$ 5,361,256	\$ 13,522,421	9%	11%	11%
0001041	ENVIRONMENT CAPITAL								
0005347	MISC. ENVIRONMENT PROJECTS	4,789,963	5,096,963	4,097,583	-12,955	146,290	3%	3%	4%
0001041	Total Environment	\$ 4,789,963	\$ 5,096,963	\$ 4,097,583	\$ (12,955)	\$ 146,290	3%	3%	4%
0005351	PPIA-Misc Projects	5,000,000	11,270	5,000,000	752,368	2,569,531	42%	22800%	51%
0005223	Radio Spectrum Relocation Projects	9,176,000	0	9,176,000	514,042	873,714	8%		10%
0005348	Generation Integration Projects	53,751,773	0	31,175,000	295,199	799,110	1%		3%
0005349	COI Additions Projects	16,500,000	16,500,000	16,500,000	47,385	120,865	1%	1%	1%
0001012	Total PPIA	\$ 84,427,773	\$ 16,511,270	\$ 61,851,000	\$ 1,608,995	\$ 4,363,220	4%	26%	7%
TOTAL CAPITAL DIRECT SPENDING PLAN		\$ 348,346,899	\$ 256,457,632	\$ 327,496,099	\$ 12,547,635	\$ 32,562,980	8%	13%	10%
CAPITAL INDIRECT - (CWIP and RWIP with AFUDC reported separately)									
0001045	Total Transmission Indirect Support	\$ 40,438,181	\$ 40,438,181	\$ 40,438,181	\$ 2,945,039	\$ 8,968,932	22%	22%	22%
0001044	Total Corporate Support	\$ 36,845,678	\$ 36,845,678	\$ 36,607,000	\$ 3,436,899	\$ 8,869,324	24%	24%	24%
	AFUDC - All Projects	\$ 12,276,795	\$ 12,276,795	\$ 12,400,000	\$ 1,246,176	\$ 3,428,917	28%	28%	28%
TOTAL CAPITAL INDIRECT SPENDING PLAN		\$ 89,560,654	\$ 89,560,654	\$ 89,445,181	\$ 7,628,114	\$ 21,267,173	24%	24%	24%
TOTAL CAPITAL EXPENDITURES		\$ 437,907,553	\$ 346,018,286	\$ 416,941,280	\$ 20,175,749	\$ 53,830,153	10%	16%	13%

1/ Security Enhancement projects are funded and managed by the KT organization.

2/ Misc. Facilities projects are funded and managed by the NW organization.

Allocation includes K, J, N organizations, AFUDC and Corporate Overhead that are included in Transmission's total capital.



*Discussion of Potential Changes in
Reports for Future QBR Meetings*



Changes to Future QBR Reports

- At the November QBR, BPA asked participants what, if any changes they would suggest in reports.
- Should BPA continue posting both the high level Customer Collaborative reports and the very detailed reports that are presented at the PPC?
 - Customers think they probably need both but will discuss it among themselves prior to the February QBR meeting.
- Comments and suggestions from participants:
 - Customers would like to see additional detail pertaining to Transmission revenues.
 - A request was made to provide reserves by business line.
 - Provide additional capital reports.
 - The following pages describe and illustrate our proposed changes in these areas. Based on input we receive today, we will bring new reports to the next QBR meeting in May.



Transmission Revenues: The Current Level of Detail

Requests:

1. Provide more detail on Transmission revenues ' "short-term and long-term by product".
 - Current external Transmission reports show the following for Operating Revenues:
 - Sales
 - Miscellaneous Revenues
 - Inter-Business Unit Revenues

Report ID: 0061FY09	Transmission Services Detailed Statement of Revenues and Expenses
Requesting BL: TRANSMISSION BUSINESS UNIT	Through the Month Ended November 30, 2008
Unit of Measure: \$ Thousands (\$000)	Preliminary/ Unaudited

	A	B
	Actuals: FY 2007	Actuals: FY 2008
Operating Revenues		
1 Sales	652,171,614	683,964,419
2 Miscellaneous Revenues	37,116,174	37,548,172
3 Inter-Business Unit Revenues	119,336,279	122,702,832
4 Total Operating Revenues	808,624,067	844,215,423



Proposed Reporting of Transmission Revenues

- We propose revising the external Transmission reports to show:
 - Sales
 - Network
 - Intertie
 - Other Sales
 - Miscellaneous Revenues
 - Inter-Business Unit Revenues

Report ID: 0061_REV	Transmission Services Detailed Statement of Revenues and Expenses
Requesting BL: TRANSMISSION BUSINESS UNIT	Through the Month Ended December 31, 2008
Unit of Measure: \$ Thousands (\$000)	Preliminary/ Unaudited

	A	B
	Actuals: FY 2007	Actuals: FY 2008
Operating Revenues		
1 Sales		
2 Network	\$434,222	\$473,102
3 Intertie	\$64,712	\$68,721
4 Other	\$153,237	\$142,141
5 Miscellaneous Revenues	37,116	37,548
6 Inter-Business Unit Revenues	119,336	122,703
7 Total Operating Revenues	808,624	844,215

EXAMPLE

- We are considering whether additional Transmission detail can be provided.
- Power revenue detail will remain unchanged due to the sensitive nature of this information. It was suggested that we provide historic actual power revenue detail, e.g., for the prior year. We are considering how we could provide this information.



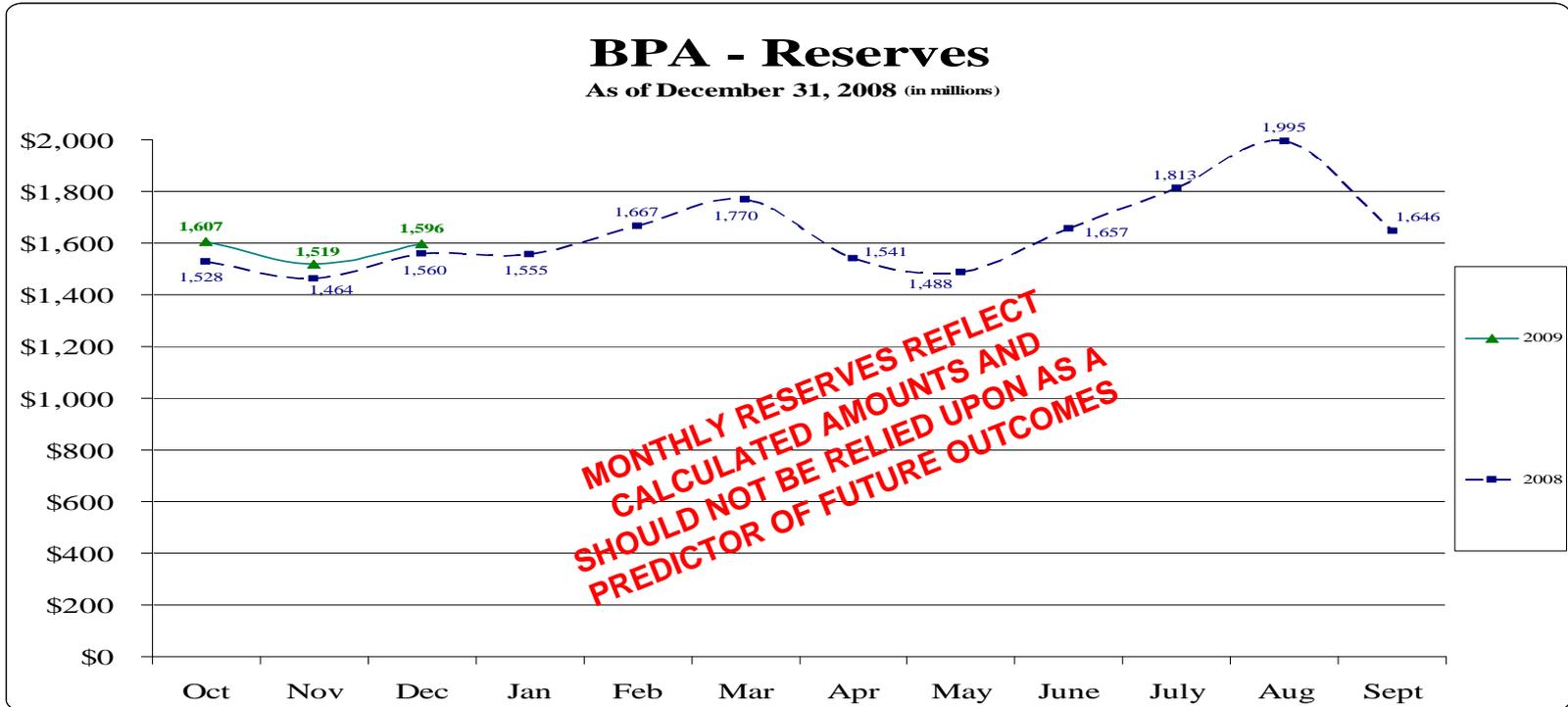
QBR – Reporting of Reserves

2. Provide Monthly Actual Reserve levels, by business unit, with “encumbered” amounts identified.
 - We currently provide an end of year reserves forecast externally each quarter via the Quarterly Review.
 - We propose to provide a reserve graph that would include:
 - Current year actual monthly reserves for the agency, not by business unit
 - Prior year reserves
 - Estimate of encumbered amounts or “funds held for others” in the BPA reserves year to date balance
 - Current quarterly forecast of end-of-year reserves by business unit
 - See next slide for an example.



Example: Financial Reserves

Reserves as of the end of December are \$1.596 billion



Funds Held for Others Estimate: \$230 million

FY 2009 End-of-Year Reserves Forecast: \$1.119 billion - \$1.451 billion

Power Services End-of-Year average: \$510 million - \$829 million

Transmission Service End-of-Year average: \$572 million - \$644 million

* Forecast ranges of End-of-Year reserves are based on statistical modeling of potential outcomes subject to a wide variety of inputs; Power and Trans results will not necessarily add to agency results.



QBR – Reporting of Capital

3. Provide Additional Information on Capital Spending and Project Status.

- Currently the only formal reporting on capital spending that is provided regularly to external parties is the one line on the Executive Summary of the Quarterly Review that shows the year-end forecast of BPA 's accrued capital expenditures funded by borrowing from the U.S. Treasury. In addition, the Quarterly Report discusses the investment activity for the previous quarter and shows the quarterly balance of utility plant.

- Transmission staff have provided additional capital information at quarterly PPC meetings.

- BPA proposes the following:
 - Develop a quarterly or monthly report to be posted with other external reports that shows capital spending, both proposed and year-to-date actual amounts, at a more detailed level, i.e., Hydro, F&W, Conservation, Main Grid, IT, Facilities. This information provides budget-to-actuals information for the current year.
 - Provide a quarterly list of major capital projects (defined as projects with a total direct capital cost of \$7 million or more) that have been authorized. This report will include a synopsis of the project, its purpose or business drivers, the target capital cost and target in-service (energization) dates, and the most recent forecast of project cost and schedule (see following slide for example).
 - In addition, providing a rolling 6-month forecast of major capital projects that are anticipated to be reviewed and authorized.
 - Transmission will coordinate an annual meeting to provide updates to capital plans in the August/September timeframe. This coincides with updating Start-of-Year FY 2010 capital projects and the asset plan.



Major Capital Projects* - Quarterly Status **Q1 2009**

Project	Description	Direct Capital \$M		In-Service Date	
		Target	Forecast	Target	Forecast
Transmission					
Olympic Peninsula Reinforcement Project	Replace 14.5 miles of 115 kV line with a double circuit 230 kV line.	\$ 31.4	\$ 31.4	12/1/09	12/1/09
Spacer Damper Replacement Program (FY08-12)	Replace all spring type triple bundle spacer-dampers on the 500 kV system.	\$ 65.2	\$ 65.2	9/30/12	9/30/12
Wood Pole Replacement Program (FY08-12)	Implement a stable, sustained and funded wood pole replacement program.	\$ 5.6	\$ 5.5	Replace at least 150 in Q1	Replaced 158 in Q1
Libby (FEC)-Troy 115 kV Rebuild	Rebuild the Libby-Troy line segment as a 115kV single circuit (in-kind rebuild).	\$ 15.7	\$ 15.7	11/30/09	11/30/09
Big Eddy 500/230 Transformer Bank No. 5	Replace 3 single-phase transformers due to age and to gain a 35 MVA capacity increase.	\$ 13.9	\$ 13.9	9/15/09	9/15/09
COI 4800 Project	Upgrade California-Oregon intertie to improve transfer capability, decrease congestion and improve stability.	\$ 47.7	\$ 47.7	5/31/11	5/31/11
3G 1710-1755 MHz Relocation Project	Vacate radio frequencies as required by P.L. 108-494.	\$ 48.6	\$ 48.6	3/31/13	3/31/13
Access Roads	Includes 19 to 23 projects for road improvements in or near transmission corridors.	\$ 17.1	\$ 17.1	9/30/10	9/30/10
500 kV Spare Transformer Project TFY09242	Acquire 5 spares to be strategically located across the system and relocate 2 existing transformers at Big Eddy when they are replaced.	\$ 33.6	\$ 33.6	9/30/11	9/30/11
Federal Hydro					
Grand Coulee and Hungry Horse SCADA Replacement	Replace SCADA systems at Grand Coulee and Hungry Horse.	\$ 27.0	\$ 27.0	9/30/12	9/30/12
Chief Joseph Turbine Runner Replacement	Replace turbines 5 - 14 and study the replacement of 1 - 4, 15 and 16.	\$ 61.3	\$ 61.3	9/30/11	9/30/11
Dalles Station Service Improvements	Install 2 new station service transformers and reconfigure existing units to a "base load" standby source.	\$ 21.1	\$ 21.1	9/30/11	6/30/11
McNary Installation Banks T1-T2,T4-T5	Replace remaining original (50 year old) transformer banks.	\$ 27.2	\$ 27.2	9/30/11	9/30/10
Grand Coulee Replace Transformer Bank K10A	Replace all 3 phases of the G10 generator step-up transformer bank K10.	\$ 9.6	\$ 9.6	4/30/11	12/31/10
Grand Coulee Exciter Replacement	Replace 6 original excitation units in Powerhouse 3.	\$ 20.9	\$ 20.9	11/30/13	11/30/13
Grand Coulee Transformer Replacement (G19, G20)	Replace 2 banks (6 single phase transformers) in the third powerhouse,	\$ 54.1	\$ 54.0	11/30/13	11/30/13
IT					
Customer Billing & Contract System (CBC)	Develop and deploy an integrated billing and contracts system.	\$ 9.6	\$ 9.6	5/30/10	6/1/10
RODS Replacement Project	Develop, build and deploy hardware and software to replace the current RODS functionality.	\$ 20.1	\$ 19.4	9/30/12	9/30/12
Facilities					
Tri-Cities Consolidated Maintenance Headquarters	Acquire land and construct a consolidated maintenance HQ in the Tri Cities area. Transmission crews from Pasco, Franklin, Walla Walla, and McNary would be relocated.	\$ 15.1	\$ 15.1	9/30/10	9/30/10

*Includes capital projects authorized at the Agency level since August 2007.



Financial Disclosure

This information has been made publicly available by BPA on February 10, 2009 and is consistent with BPA-approved Agency Financial Information.

Comments

Comments and feedback can be submitted one of three ways:

1. Submit comments via e-mail to: comment@bpa.gov.
2. Submit written comments to Bonneville Power Administration, P.O. Box 14428, Portland, OR 97293-4428.
3. Submit comments via fax to (503) 230-3285.



Appendix

*Detailed Power and Transmission Services
Income Statements*



Power Services



B O N N E V I L L E P O W E R A D M I N I S T R A T I O N

Report ID: 0060FY09	Power Services Detailed Statement of Revenues and Expenses	Run Date\Time: February 04, 2009 06:00
Requesting BL: POWER BUSINESS UNIT	Through the Month Ended December 31, 2008	Data Source: EPM Data Warehouse
Unit of Measure: \$ Thousands (\$ 000)	Preliminary/ Unaudited	% of Year Lapsed = 25%

	A	B	C	D	E	F	G
	Actuals: FY 2007	Actuals: FY 2008	Rate Case: FY 2009	Target SOY: FY 2009	Actuals: FYTD 2009	Current Forecast: QTR 1	Actuals per Forecast
Operating Revenues							
1 Gross Sales (excluding bookout adjustment) <Note 1	\$2,578,749	\$2,323,087	\$2,533,991	\$2,458,640	\$578,383	\$2,204,939	26%
2 Bookout adjustment to Sales <Note 1	(94,705)	(109,704)			(19,526)	(19,526)	100%
3 Miscellaneous Revenues	31,130	27,295	30,921	30,921	7,514	23,572	32%
4 Inter-Business Unit	78,539	68,582	79,306	79,306	18,508	77,276	24%
5 Derivative Instruments <Note 2	(6,519)	(30,564)			(39,947)	(39,947)	100%
6 U.S. Treasury Credits	70,697	104,992	93,080	95,171	22,739	89,451	25%
7 Total Operating Revenues	2,657,891	2,383,688	2,737,298	2,664,037	567,671	2,335,765	24%
Operating Expenses							
Power System Generation Resources							
Operating Generation							
8 COLUMBIA GENERATING STATION	276,409	236,736	293,700	293,450	79,714	314,800	25%
9 BUREAU OF RECLAMATION	67,332	72,110	82,100	82,100	16,252	82,100	20%
10 CORPS OF ENGINEERS	158,410	178,442	179,500	179,500	32,977	179,500	18%
11 LONG-TERM CONTRACT GENERATING PROJECTS	28,247	27,080	31,613	31,613	6,244	31,961	20%
12 Sub-Total	530,398	514,367	586,913	586,663	135,187	608,361	22%
Operating Generation Settlement Payment							
13 COLVILLE GENERATION SETTLEMENT	19,871	20,499	20,909	20,909	5,227	20,909	25%
14 SPOKANE GENERATION SETTLEMENT							
15 Sub-Total	19,871	20,499	20,909	20,909	5,227	20,909	25%
Non-Operating Generation							
16 TROJAN DECOMMISSIONING	2,009	1,448	2,500	2,500	384	400	96%
17 WNP-1&3 DECOMMISSIONING	99	(20)	404	404	58	304	19%
18 Sub-Total	2,108	1,428	2,904	2,904	442	704	63%
Gross Contracted Power Purchases (excluding bookout adjustments) <Note 1							
19 DSI MONETIZED POWER SALES	44,487	55,149	54,999	54,999	13,401	43,200	31%
20 PNCA HEADWATER BENEFITS	1,399	1,652	1,714	1,714	280	1,714	16%
21 HEDGING/MITIGATION							
22 OTHER POWER PURCHASES - (e.g. Short-Term)	235,853	468,483	74,835	129,578	122,039	181,771	67%
23 Sub-Total	281,738	525,285	131,548	186,291	135,720	226,685	60%
24 Bookout Adjustments to Contracted Power Purchases <Note 1	(94,705)	(109,704)			(19,526)	(19,526)	100%
Augmentation Power Purchases (includes IOU Load Reduc. and Buy Backs)							
25 AUGMENTATION POWER PURCHASES	85,381	4,148	161,121	3,328	(205)	3,141	-107%
26 CONSERVATION AUGMENTATION							
Exchanges & Settlements							
27 RESIDENTIAL EXCHANGE PROGRAM	300,581	(1,171)	251,416	251,416	43,372	179,513	24%
28 OTHER SETTLEMENTS	39,667	1,500					
Renewable Generation							
29 RENEWABLES R&D	759	1,207		1,359	99	1,359	7%
30 RENEWABLE CONSERVATION RATE CREDIT	5,863	3,830	6,000	6,000	1,819	6,000	30%
31 RENEWABLES	20,203	32,065	37,955	34,145	6,061	34,145	18%
Generation Conservation							
32 GENERATION CONSERVATION R&D		484		2,184	82	2,184	4%
33 DSM TECHNOLOGY	174	261	1,600	1,600	80	1,600	5%
34 CONSERVATION ACQUISITION	1,643	4,176	7,000	7,000	978	7,000	14%
35 LOW INCOME WEATHERIZATION & TRIBAL	4,188	4,135	5,812	5,812	(230)	5,812	-104%
36 ENERGY EFFICIENCY DEVELOPMENT	17,172	11,205	22,000	22,000	2,338	15,500	15%
37 LEGACY	4,545	1,666	2,114	2,114	(61)	2,114	-103%
38 MARKET TRANSFORMATION	10,773	9,353	10,000	10,000	2,481	10,000	25%
39 Sub-Total	38,494	31,280	48,526	50,710	5,668	44,210	13%
40 Conservation Rate Credit (CRC)	33,619	26,688	32,000	32,000	5,623	32,000	18%
41 Power System Generation Sub-Total	1,263,977	1,051,421	1,279,292	1,175,725	319,485	1,137,501	28%



B O N N E V I L L E P O W E R A D M I N I S T R A T I O N

Report ID: 0060FY09	Power Services Detailed Statement of Revenues and Expenses	Run Date\Time: February 04, 2009 06:00
Requesting BL: POWER BUSINESS UNIT	Through the Month Ended December 31, 2008	Data Source: EPM Data Warehouse
Unit of Measure: \$ Thousands (\$ 000)	Preliminary/ Unaudited	% of Year Lapsed = 25%

	A	B	C	D	E	F	G
	Actuals: FY 2007	Actuals: FY 2008	Rate Case: FY 2009	Target SOY: FY 2009	Actuals: FYTD 2009	Current Forecast: QTR 1	Actuals per Forecast
Power Non-Generation Operations							
Power Services System Operations							
EFFICIENCIES PROGRAM	164	137					
PBL SYSTEM OPERATIONS R&D		1		229	2	229	1%
INFORMATION TECHNOLOGY	5,678	5,286	5,423	5,411	1,121	5,411	21%
GENERATION PROJECT COORDINATION	6,025	6,554	7,648	7,648	1,325	7,648	17%
SLICE IMPLEMENTATION	2,217	1,754	2,486	2,486	410	2,486	17%
Sub-Total	14,084	13,732	15,557	15,774	2,859	15,774	18%
Power Services Scheduling							
OPERATIONS SCHEDULING	7,648	7,985	9,571	9,571	2,084	9,571	22%
PBL SCHEDULING R&D		78		38		38	0%
OPERATIONS PLANNING	5,144	5,783	5,969	5,969	1,428	5,969	24%
Sub-Total	12,792	13,846	15,540	15,578	3,513	15,578	23%
Power Services Marketing and Business Support							
SALES & SUPPORT	14,527	16,735	18,988	19,726	4,414	19,666	22%
PUBLIC COMMUNICATION & TRIBAL LIAISON							
STRATEGY, FINANCE & RISK MGMT	10,790	12,420	14,820	14,211	2,876	15,359	19%
EXECUTIVE AND ADMINISTRATIVE SERVICES	2,604	2,264	3,123	3,125	542	3,185	17%
CONSERVATION SUPPORT	7,053	7,903	7,996	8,006	2,067	8,006	26%
Sub-Total	34,975	39,321	44,927	45,069	9,900	46,216	21%
Power Non-Generation Operations Sub-Total	61,852	66,899	76,024	76,421	16,271	77,568	21%
Power Services Transmission Acquisition and Ancillary Services							
PBL Transmission Acquisition and Ancillary Services							
POWER SERVICES TRANSMISSION & ANCILLARY SERVICES	110,213	113,816	116,878	116,878	23,161	104,758	22%
3RD PARTY GTA WHEELING	44,007	43,136	50,370	50,370	11,881	50,370	24%
POWER SERVICES - 3RD PARTY TRANS & ANCILLARY SVCS	1,327	1,591	1,000	1,000	694	1,000	69%
GENERATION INTEGRATION	8,468	7,263	6,800	6,800	1,503	6,800	22%
TELEMETERING/EQUIP REPLACMT	31	54	50	50		50	0%
Power Srvcs Trans Acquisition and Ancillary Services Sub-Total	164,046	165,861	175,098	175,098	37,239	162,978	23%
Fish and Wildlife/USF&W/Planning Council/Environmental Req							
BPA Fish and Wildlife (includes F&W Shared Services)							
FISH & WILDLIFE	139,471	148,879	199,998	200,000	27,102	200,000	14%
F&W HIGH PRIORITY ACTION PROJECTS							
Sub-Total	139,471	148,879	199,998	200,000	27,102	200,000	14%
USF&W Lower Snake Hatcheries	19,270	19,403	19,690	21,116	3,233	21,116	15%
Planning Council	8,390	8,245	9,450	9,450	2,948	9,450	31%
Environmental Requirements		68	300	300		300	0%
Fish and Wildlife/USF&W/Planning Council Sub-Total	167,131	176,594	229,439	230,866	33,283	230,866	14%
BPA Internal Support							
Additional Post-Retirement Contribution	10,550	9,000	15,277	15,277	3,819	15,277	25%
Agency Services G&A (excludes direct project support)	46,413	48,160	44,994	46,503	11,670	46,487	25%
Shared Services (includes Supply Chain & excludes direct project support)							
BPA Internal Support Sub-Total	56,963	57,160	60,271	61,780	15,489	61,764	25%
Bad Debt Expense	(90)	(42)					
Other Income, Expenses, Adjustments	49	(3,241)	3,600	3,600	(288)	2,190	-113%



Report ID: 0060FY09 Power Services Detailed Statement of Revenues and Expenses Run Date\Time: February 04, 2009 06:00
 Requesting BL: POWER BUSINESS UNIT Through the Month Ended December 31, 2008 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands (\$ 000) Preliminary/ Unaudited % of Year Lapsed = 25%

	A	B	C	D	E	F	G
	Actuals: FY 2007	Actuals: FY 2008	Rate Case: FY 2009	Target SOY: FY 2009	Actuals: FYTD 2009	Current Forecast: QTR 1	Actuals per Forecast
Non-Federal Debt Service							
Energy Northwest Debt Service							
78	COLUMBIA GENERATING STATION DEBT SVC	96,868	114,911	224,634	184,339	36,755	174,458 21%
79	WNP-1 DEBT SVC	88,559	130,258	169,342	126,570	28,878	128,909 22%
80	WNP-3 DEBT SVC	79,034	145,125	150,817	122,390	31,201	128,312 24%
81	EN RETIRED DEBT	178,888	95,000		37,500	12,500	37,500 33%
82	EN LIBOR INTEREST RATE SWAP	(2,091)	4,668		5,000	2,043	15,500 13%
83	Sub-Total	441,258	489,964	544,793	475,799	111,378	484,679 23%
Non-Energy Northwest Debt Service							
84	TROJAN DEBT SVC	8,149	5,976			1,314	1,314 100%
85	CONSERVATION DEBT SVC	5,288	5,268	5,188	5,188	1,322	5,188 25%
86	COWLITZ FALLS DEBT SVC	11,708	11,711	11,571	11,571	2,925	11,571 25%
87	NORTHERN WASCO DEBT SVC			2,168	2,168	1,557	2,168 72%
88	Sub-Total	25,145	22,954	18,927	18,927	7,118	20,241 35%
89	Non-Federal Debt Service Sub-Total	466,404	512,918	563,720	494,726	118,496	504,920 23%
90	Depreciation	106,434	113,374	113,877	113,877	27,168	113,877 24%
91	Amortization	69,770	70,092	74,703	74,702	17,487	74,702 23%
92	Total Operating Expenses	2,356,535	2,211,037	2,576,023	2,406,794	584,631	2,366,366 25%
93	Net Operating Revenues (Expenses)	301,357	172,651	161,275	257,244	(16,960)	(30,600) 55%
Interest Expense and (Income)							
94	Federal Appropriation	234,454	221,268	221,992	219,556	54,420	217,679 25%
95	Capitalization Adjustment	(45,937)	(45,937)	(45,937)	(45,937)	(11,484)	(45,937) 25%
96	Borrowings from US Treasury	39,304	41,133	51,388	38,094	9,288	36,818 25%
97	AFUDC	(25,654)	(15,160)	(11,400)	(14,800)	(3,734)	(15,700) 24%
98	Interest Income	(56,651)	(58,558)	(57,967)	(64,163)	(12,515)	(52,159) 24%
99	Net Interest Expense (Income)	145,516	142,746	158,076	132,750	35,975	140,701 26%
100	Total Expenses	2,502,050	2,353,782	2,734,100	2,539,544	620,606	2,507,067 25%
101	Net Revenues (Expenses) from Continuing Operations	155,841	29,905	3,198	124,494	(52,935)	(171,301) 31%
102	Net Revenues (Expenses)	\$155,841	\$29,905	\$3,198	\$124,494	(\$52,935)	(\$171,301) 31%

<1 For BPA management reports, Gross Sales and Purchase Power are shown separated from the power bookout adjustment (EITF 03-11, effective as of Oct 1, 2003) to provide a better picture of our gross sales and gross purchase power.

<2 This is an "accounting only" (no cash impact) adjustment representing the mark-to-market (MTM) adjustment required by SFAS 133, as amended, for identified derivative instruments. The MTM adjustment is excluded in calculating Modified Net Revenues for rate setting purposes.

<3 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.



Transmission Services



Report ID: 0061FY09 **Transmission Services Detailed Statement of Revenues and Expenses** Run Date/Time: February 04, 2009 06:00
 Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended December 31, 2008 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands (\$000) Preliminary/ Unaudited % of Year Lapsed = 25%

	A	B	C ^{<Note 1}	D	E	F	G
	Actuals: FY 2007	Actuals: FY 2008	Rate Case: FY 2009	Target SOY: FY 2009	Actuals: FYTD 2009	Forecast: Current EOY	Actuals per Forecast
Operating Revenues							
1 Sales	\$652,172	\$683,964	\$647,263	\$681,857	\$167,662	\$671,358	25%
2 Miscellaneous Revenues	37,116	37,548	32,605	32,500	6,268	33,783	19%
3 Inter-Business Unit Revenues	119,336	122,703	107,951	117,453	25,052	115,780	22%
4 Total Operating Revenues	808,624	844,215	787,819	831,809	198,982	820,921	24%
Operating Expenses							
Transmission Operations							
System Operations							
5 INFORMATION TECHNOLOGY	4,297	4,465	681	6,081	1,079	6,995	15%
6 POWER SYSTEM DISPATCHING	9,614	10,268	10,332	11,021	3,061	11,011	28%
7 CONTROL CENTER SUPPORT	9,492	10,978	9,613	12,890	2,702	12,892	21%
8 TECHNICAL OPERATIONS	3,338	4,193	3,770	5,624	979	6,138	16%
9 SUBSTATION OPERATIONS	17,151	18,712	19,143	18,027	4,205	18,910	22%
10 Sub-Total	43,892	48,616	43,539	53,643	12,026	55,947	21%
Scheduling							
11 MANAGEMENT SUPERVISION & ADMINISTRATION	523	491	1,071	444	81	257	31%
12 RESERVATIONS	578	871	469	975	204	889	23%
13 PRE-SCHEDULING	448	360	771	427	86	520	17%
14 REAL-TIME SCHEDULING	3,531	3,815	4,039	4,599	768	4,037	19%
15 SCHEDULING TECHNICAL SUPPORT	1,219	1,540	2,738	2,217	308	2,641	12%
16 SCHEDULING AFTER-THE-FACT	209	1,243	680	385	96	384	25%
17 Sub-Total	6,508	8,320	9,768	9,046	1,543	8,729	18%
Marketing and Business Support							
18 TRANSMISSION SALES	2,673	2,055		2,985	880	2,947	30%
19 MKTG EXECUTIVE OFFICE							
20 MKTG INTERNAL OPERATIONS	220	137	884		11		
21 MKTG TRANSMISSION FINANCE	380	392	832	377	114	377	30%
22 MKTG CONTRACT MANAGEMENT	2,895	3,530	1,498	3,841	893	4,148	22%
23 MKTG TRANSMISSION BILLING	2,840	2,027	1,962	2,920	683	2,920	23%
24 MKTG BUSINESS STRAT & ASSESS	3,379	3,982	2,496	6,298	1,121	5,550	20%
25 MARKETING IT SUPPORT	1,081	575	123	1,916	61	1,633	4%
26 MARKETING AND SALES	242		2,283				
27 METER DATA			1,385				
28 Marketing Sub-Total	13,712	12,698	11,463	18,337	3,764	17,575	21%
29 EXECUTIVE AND ADMIN SERVICES	6,726	8,594	8,191	7,419	2,118	11,453	18%
30 STAFF MANAGEMENT (HR)							
31 LEGAL SUPPORT	1,893	2,038		2,852	544	2,660	20%
32 RANS SERVICES INTERNAL GENERAL & ADMINISTRATIVE	12,295	10,679	7,733	15,737	1,268	10,001	13%
33 SUPPORT FOR SHARED SERVICES PRODUCTS							
34 AIRCRAFT SERVICES	608	679	1,360	1,119	142	1,139	12%
35 LOGISTICS SERVICES	5,436	4,040	5,185	6,054	1,545	6,054	26%
36 SECURITY ENHANCEMENTS	1,026	1,226	1,049	1,336	485	2,876	17%
37 Business Support Sub-Total	27,984	27,256	23,518	34,518	6,102	34,183	18%
38 Transmission Operations Sub-Total	92,096	96,891	88,288	115,544	23,435	116,434	20%



Report ID: 0061FY09 **Transmission Services Detailed Statement of Revenues and Expenses** Run Date/Time: February 04, 2009 06:00
 Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended December 31, 2008 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands (\$000) Preliminary/ Unaudited % of Year Lapsed = 25%

	A	B	C ^{<Note 1}	D	E	F	G
	Actuals: FY 2007	Actuals: FY 2008	Rate Case: FY 2009	Target SOY: FY 2009	Actuals: FYTD 2009	Forecast: Current EOY	Actuals per Forecast
Transmission Maintenance							
System Maintenance							
39 NON-ELECTRIC MAINTENANCE	8,439	9,340	11,229	11,796	2,337	11,695	20%
40 SUBSTATION MAINTENANCE	19,706	25,154	17,827	21,634	6,143	24,525	25%
41 TRANSMISSION LINE MAINTENANCE	17,442	20,182	19,191	26,596	5,258	23,885	22%
42 SYSTEM PROTECTION CONTROL MAINTENANCE	9,535	10,864	9,911	10,717	2,995	11,677	26%
43 POWER SYSTEM CONTROL MAINTENANCE	8,248	10,328	10,858	10,083	2,374	10,228	23%
44 JOINT COST MAINTENANCE	181	207		191	21	93	23%
45 SYSTEM MAINTENANCE MANAGEMENT	7,535	5,167	6,958	5,858	3,864	5,158	75%
46 ROW MAINTENANCE	14,779	28,302	13,088	16,330	4,050	32,426	12%
47 HEAVY MOBILE EQUIP MAINT	(179)	355	836		(181)		
48 TECHNICAL TRAINING	2,180	2,149	4,092	2,592	520	2,206	24%
49 Sub-Total	87,866	112,047	93,990	105,797	27,382	121,894	22%
Environmental Operations							
50 ENVIRONMENTAL ANALYSIS	45	86		106	20	107	18%
51 POLLUTION PREVENTION AND ABATEMENT	2,995	3,050	3,491	3,491	836	3,655	23%
52 Sub-Total	3,039	3,136	3,491	3,597	855	3,762	23%
53 Transmission Maintenance Sub-Total	90,905	115,183	97,481	109,395	28,237	125,656	22%
Transmission Engineering							
System Development							
54 RESEARCH & DEVELOPMENT	2,845	3,417	3,466	5,266	782	5,265	15%
55 TSD PLANNING AND ANALYSIS	4,447	6,306	3,534	8,286	2,078	7,224	29%
56 CAPITAL TO EXPENSE TRANSFER	2,847	6,050	7,000	4,000	114	4,009	3%
57 REGULATORY & REGION ASSOC FEES	3,790	4,118	2,250	5,376	3,061	6,725	46%
58 ENVIRONMENTAL POLICY/PLANNING	1,088	1,266	1,307	1,578	316	1,709	19%
59 Sub-Total	15,017	21,157	17,557	24,505	6,352	24,933	25%
60 Transmission Engineering Sub-Total	15,017	21,157	17,557	24,505	6,352	24,933	25%
Trans. Services Transmission Acquisition and Ancillary Services							
BBL Acquisition and Ancillary Products and Services							
61 ANCILLARY SERVICES PAYMENTS	68,399	54,894	45,521	63,833	15,070	63,001	24%
62 OTHER PAYMENTS TO POWER SERVICES	6,527	10,799	7,397	11,884	2,630	11,884	22%
63 STATION SERVICES PAYMENTS	3,613	2,818	3,589	3,589	807	3,472	23%
64 Sub-Total	78,539	68,511	56,507	79,306	18,508	78,357	24%
Non-BBL Acquisition and Ancillary Products and Services <Note 2							
65 LEASED FACILITIES	5,305	5,140	16,098	15,621	1,442	5,090	28%
66 GENERAL TRANSFER AGREEMENTS (settlement)			950	500		500	0%
67 NON-BBL ANCILLARY SERVICES	7,261	1,047	3,050	1,723	168	1,085	15%
68 Sub-Total	12,566	6,188	20,098	17,844	1,610	6,675	24%
69 Trans. Srvcs. Acquisition and Ancillary Services Sub-Total	91,105	74,698	76,605	97,149	20,117	85,032	24%



Report ID: 0061FY09 **Transmission Services Detailed Statement of Revenues and Expenses** Run Date/Time: February 06, 2009 05:57
 Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended December 31, 2008 Data Source: EPM Data Warehouse
 Unit of Measure: \$ Thousands (\$000) Preliminary/ Unaudited % of Year Lapsed = 25%

	A	B	C	D <Note 1	E	F	G	H
	Actuals: FY 2007	Actuals: FY 2008	Actuals: FYTD 2008	Rate Case: FY 2009	Target SOY: FY 2009	Actuals: FYTD 2009	Forecast: Current EOY	Actuals per Forecast
Transmission Reimbursables								
Reimbursables								
70 EXTERNAL REIMBURSABLE SERVICES	12,647	10,021	2,610	10,000	8,618	1,022	7,857	13%
71 INTERNAL REIMBURSABLE SERVICES	434	1,943	75		1,382	822	2,143	38%
72 Sub-Total	13,081	11,964	2,684	10,000	10,000	1,844	10,000	18%
73 Transmission Reimbursables Sub-Total	13,081	11,964	2,684	10,000	10,000	1,844	10,000	18%
BPA Internal Support								
74 Additional Post-Retirement Contribution	10,550	9,000	2,250	15,277	15,277	3,819	15,277	25%
75 Agency Services G & A (excludes direct project support)	53,789	55,366	12,217	68,524	44,448	11,471	44,438	26%
76 Shared Services (excludes direct proj sup)								
77 BPA Internal Support Subtotal	64,339	64,366	14,467	83,801	59,725	15,291	59,715	26%
Other Income, Expenses, and Adjustments								
78 Bad Debt Expense	(1,221)	(58)	2			2	2	100%
79 Other Income, Expenses, Adjustments	(1,798)	(1,321)	46			508	508	100%
80 Capital Projects with Expense Accounts								
81 Undistributed Reduction				(2,000)	(2,000)		(2,080)	0%
82 Non-Federal Debt Service <Note 2	9,032		2,125	11,544	6,886			
83 Depreciation	175,376	173,693	43,723	198,535	189,182	43,057	179,600	24%
84 Amortization <Note 2	208	906	166		1,466	288	1,400	21%
85 Total Operating Expenses	548,140	557,478	128,979	581,811	611,853	139,131	601,199	23%
86 Net Operating Revenues (Expenses)	260,484	286,737	68,406	206,008	219,956	59,852	219,722	27%
Interest Expense and (Income)								
87 Federal Appropriation	44,665	40,838	10,210	35,714	36,444	8,839	35,356	25%
88 Capitalization Adjustment	(18,968)	(18,968)	(4,742)	(18,968)	(18,968)	(4,742)	(18,968)	25%
89 Borrowings from US Treasury	90,860	80,346	20,526	126,523	79,480	19,512	77,873	25%
90 Debt Service Reassignment	42,574	51,137	12,784	42,347	55,971	13,993	55,971	25%
90 Customer Advances		10,915				2,206	8,824	25%
91 Lease Financing		11,063				3,273	14,601	22%
92 AFUDC	(7,518)	(16,897)	(2,140)	(10,798)	(9,500)	(3,817)	(17,904)	21%
93 Interest Income	(17,808)	(22,075)	(4,166)	(9,876)	(18,745)	(7,142)	(27,920)	26%
94 Net Interest Expense (Income)	133,806	136,360	32,472	164,942	124,682	32,122	127,833	25%
95 Total Expenses	681,946	693,838	161,451	746,753	736,535	171,253	729,032	23%
96 Net Revenues (Expenses) from Continuing Operations	126,678	150,378	35,934	41,066	95,274	27,729	91,889	30%
97 Net Revenues (Expenses)	\$126,678	\$150,378	\$35,934	\$41,066	\$95,274	\$27,729	\$91,889	30%

<1 The TBL groupings of expenses by programs and sub-programs for FY 2007 estimates, developed as part of the FY 2006 Rate Case, are reconstituted to match the programs and sub-programs groupings shown on this report.

<2 Beginning in FY 2004, consolidated actuals reflect the inclusion of transactions associated with a Variable Interest Entity (VIES), which is in accordance with the FASB Interpretation No. 46 (FIN 46) that is effective as of December, 2003. VIES information is not included in rate case and budget data.

