

Quarterly Business Review

FY 2008 Financial Results

November 24, 2008



Agenda

- Introduction and Welcome – Dave Armstrong, CFO
- Credit Markets – potential impacts to BPA
- FY 2008 Financial Results – Pages 4-15
- Capital Update Proposal for future QBR meetings – Page 16
- Discussion – Expectations for future meetings

- Appendix – Detailed Income Statements – Page 18



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 current financial forecasts, current financial results compared to forecasts, periodic updates to capital plans as they change, and information on upcoming issues that could have impact on future financial results.
- More information can be found at <http://www.bpa.gov/corporate/Finance/ibr/>



Financial Highlights



FCRPS Financial Highlights

FY 2008 Financial Performance as of September 30, 2008

Report ID: 0020FY08 FCRPS Summary Statement of Revenues and Expenses Run Date/Run Time: November 10, 2008/ 07:20
 Requesting BL: CORPORATE BUSINESS UNIT Through the Month Ended September 30, 2008 as of September 30, 2008 Data Source: EPM Data Warehouse
 Unit of measure: \$ Thousands Preliminary/ Unaudited % of Year Lapsed = 100%

	A	B	C	D <Note 3
	Actuals: FY 2007	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Qtr 3 FY 2008
Operating Revenues				
1 Gross Sales (excluding bookout adjustment) <Note 1	3,230,921	3,079,810	3,007,051	3,373,321
2 Bookout adjustment to Sales <Note 1	(94,705)		(109,704)	(69,261)
3 Miscellaneous Revenues	68,246	62,513	64,843	58,450
4 Derivatives - Mark to Market Gain (Loss) <Note 2	(6,519)		(30,564)	(26,608)
5 U.S. Treasury Credits	70,697	94,329	104,992	106,245
6 Total Operating Revenues	3,268,641	3,236,652	3,036,618	3,442,147
Operating Expenses				
Power System Generation Resources				
Operating Generation Resources				
7 Columbia Generating Station	276,409	231,431	236,736	238,131
8 Bureau of Reclamation	67,332	74,760	72,110	72,760
9 Corps of Engineers	158,410	165,742	178,442	165,742
10 Long-term Contract Generating Projects	28,247	31,858	27,080	31,858
11 Operating Generation Settlement Payment	19,871	17,354	20,499	20,499
Non-Operating Generation	2,108	5,300	1,428	1,800
13 Gross Contracted Power Purchases and Augmentation Power Purch <Note 1	367,119	215,811	529,433	462,980
14 Bookout Adjustment to Power Purchases <Note 1	(94,705)		(109,704)	(69,261)
15 Exchanges & Settlements	340,247	303,000	329	303,520
16 Renewable and Conservation Generation	98,936	127,364	94,954	115,007
17 Subtotal Power System Generation Resources	1,263,974	1,172,621	1,051,305	1,343,036
Power Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 4	45,328	50,350	44,652	50,470
Power Services Non-Generation Operations	61,831	69,537	66,851	70,982
Transmission Operations	92,096	96,787	96,817	97,935
Transmission Maintenance	90,905	95,136	115,183	105,334
Transmission Engineering	15,017	24,720	21,157	22,954
23 Trans Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 4, 5	12,566	19,250	6,190	16,990
24 Transmission Reimbursables	13,081	10,000	11,964	10,000
25 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	166,920	171,746	176,405	172,066
BPA Internal Support				
26 Additional Post-Retirement Contribution	21,100	18,000	18,000	18,000
27 Agency Services G&A	100,202	95,957	103,526	95,958
28 Other Income, Expenses & Adjustments	(3,443)	(200)	(5,802)	(4,173)
29 Non-Federal Debt Service <Note 5	343,321	511,658	479,493	485,480
30 Depreciation & Amortization <Note 5	351,787	372,363	358,064	355,886
31 Total Operating Expenses	2,574,685	2,707,926	2,543,805	2,840,919
32 Net Operating Revenues (Expenses)	693,956	528,726	492,813	601,228
Interest Expense				
33 Interest	269,919	245,891	255,840	240,734
34 AFUDC	(33,172)	(21,530)	(27,871)	(21,935)
35 Net Interest Expense	236,747	224,361	227,968	218,799
36 Net Revenues (Expenses) from Continuing Operations	457,209	304,365	264,845	382,429
37 Net Revenues (Expenses)	\$457,209	\$304,365	\$264,845	\$382,429

<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, budget and forecast data.



Power Services Financial Highlights

FY 2008 Financial Performance as of September 30, 2008

Report ID: 0021FY08	Power Services Summary Statement of Revenues and Expenses Through the Month Ended September 30, 2008 as of September 30, 2008 Preliminary/ Unaudited	Run Date/Time: November 10, 2008 07:21 Data Source: EPM Data Warehouse % of Year Lapsed = 100%
Requesting BL: POWER BUSINESS UNIT		
Unit of measure: \$ Thousands		

	A	B	C	D <Note 3
	Actuals: FY 2007	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Qtr 3 FY 2008
Operating Revenues				
1 Gross Sales (excluding bookout adjustment) <Note 1	2,578,749	2,433,191	2,323,087	2,705,378
2 Bookout adjustment to Sales <Note 1	(94,705)		(109,704)	(69,261)
3 Miscellaneous Revenues	31,130	30,921	27,295	24,207
4 Inter-Business Unit	78,539	59,439	68,582	61,682
5 Derivatives - Mark to Market Gain (Loss) <Note 2	(6,519)		(30,564)	(26,608)
6 U.S. Treasury Credits	70,697	94,329	104,992	106,245
7 Total Operating Revenues	2,657,891	2,617,881	2,383,688	2,801,643
Operating Expenses				
Power System Generation Resources				
Operating Generation Resources				
8 Columbia Generating Station	276,409	231,431	236,736	238,131
9 Bureau of Reclamation	67,332	74,760	72,110	72,760
10 Corps of Engineers	158,410	165,742	178,442	165,742
11 Long-term Contract Generating Projects	28,247	31,858	27,080	31,858
12 Operating Generation Settlement Payment	19,871	17,354	20,499	20,499
13 Non-Operating Generation	2,108	5,300	1,428	1,800
14 Gross Contracted Power Purchases and Aug Power Purchases <Note 1	367,119	215,811	529,433	462,980
15 Bookout Adjustment to Power Purchases <Note 1	(94,705)		(109,704)	(69,261)
16 Residential Exchange/IOU Settlement Benefits	340,247	303,000	329	303,520
17 Renewable and Conservation Generation	98,938	127,364	95,070	115,007
18 Subtotal Power System Generation Resources	1,263,977	1,172,621	1,051,421	1,343,036
Power Services Transmission Acquisition and Ancillary Services	164,046	172,982	165,861	166,337
20 Power Non-Generation Operations	61,852	69,537	66,899	70,982
21 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	167,131	172,066	176,594	172,066
BPA Internal Support				
22 Additional Post-Retirement Contribution	10,550	9,000	9,000	9,000
23 Agency Services G&A	46,413	43,460	48,160	43,460
24 Other Income, Expenses & Adjustments	(41)	1,800	(3,283)	602
25 Non-Federal Debt Service	466,404	539,641	512,918	521,581
26 Depreciation & Amortization	176,204	187,891	183,466	179,886
27 Total Operating Expenses	2,356,535	2,368,998	2,211,037	2,506,950
28 Net Operating Revenues (Expenses)	301,357	248,883	172,651	294,692
Interest Expense				
29 Interest	171,170	160,448	157,906	158,055
30 AFUDC	(25,654)	(12,800)	(15,160)	(13,205)
31 Net Interest Expense	145,516	147,648	142,746	144,850
32 Net Revenues (Expenses) from Continuing Operations	155,841	101,235	29,905	149,842
33 Net Revenues (Expenses)	\$155,841	\$101,235	\$29,905	\$149,842

<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.

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Transmission Services Financial Highlights

FY 2008 Financial Performance as of September 30, 2008

Report ID: 0023FY08 Transmission Services Summary Statement of Revenues and Expenses
 Requesting BL: TRANSMISSION BUSINESS UNIT Through the Month Ended September 30, 2008 as of September 30, 2008
 Unit of Measure: \$ Thousands Preliminary/ Unaudited

	A	B	C	D	E <Note 1
	Actuals: FY 2007	Rate Case Forecast: FY 2008	Target: SOY FY 2008	Actuals: FYTD 2008	Forecast: Quarter3 FY 2008
Operating Revenues					
1 Sales	652,172	639,300	646,619	683,964	667,943
2 Miscellaneous Revenues	37,116	31,434	31,592	37,548	34,243
3 Inter-Business Unit Revenues	119,336	106,969	115,081	122,703	102,371
4 Total Operating Revenues	808,624	777,703	793,292	844,215	804,557
Operating Expenses					
5 Transmission Operations	92,096	86,564	96,787	96,891	97,935
6 Transmission Maintenance	90,905	95,065	95,136	115,183	105,334
7 Transmission Engineering	15,017	18,344	24,720	21,157	22,954
8 Trans Services Transmission Acquisition and Ancillary Services <Note 2	91,105	73,351	80,880	74,698	79,501
9 Transmission Reimbursables	13,081	10,000	10,000	11,964	10,000
BPA Internal Support					
10 Additional Post-Retirement Contribution	10,550	9,000	9,000	9,000	9,000
11 Agency Services G&A	53,789	68,098	52,498	55,366	52,498
12 Other Income, Expenses & Adjustments	(3,018)	(2,000)	(2,000)	(1,379)	(4,775)
13 Non-Federal Debt Service <Note 2	9,032	6,064	3,380	3,492	3,492
14 Depreciation & Amortization <Note 2	175,584	190,229	184,472	174,599	176,000
15 Total Operating Expenses	548,140	554,715	554,873	557,478	551,940
16 Net Operating Revenues (Expenses)	260,484	222,988	238,418	286,737	252,618
Interest Expense					
17 Interest	141,323	165,375	136,580	149,071	133,816
18 AFUDC	(7,518)	(10,295)	(8,730)	(12,711)	(8,730)
19 Net Interest Expense	133,806	155,080	127,850	136,360	125,086
20 Net Revenues (Expenses) from Continuing Operations	126,678	67,908	110,568	150,378	127,532
21 Net Revenues (Expenses)	\$126,678	\$67,908	\$110,568	\$150,378	\$127,532

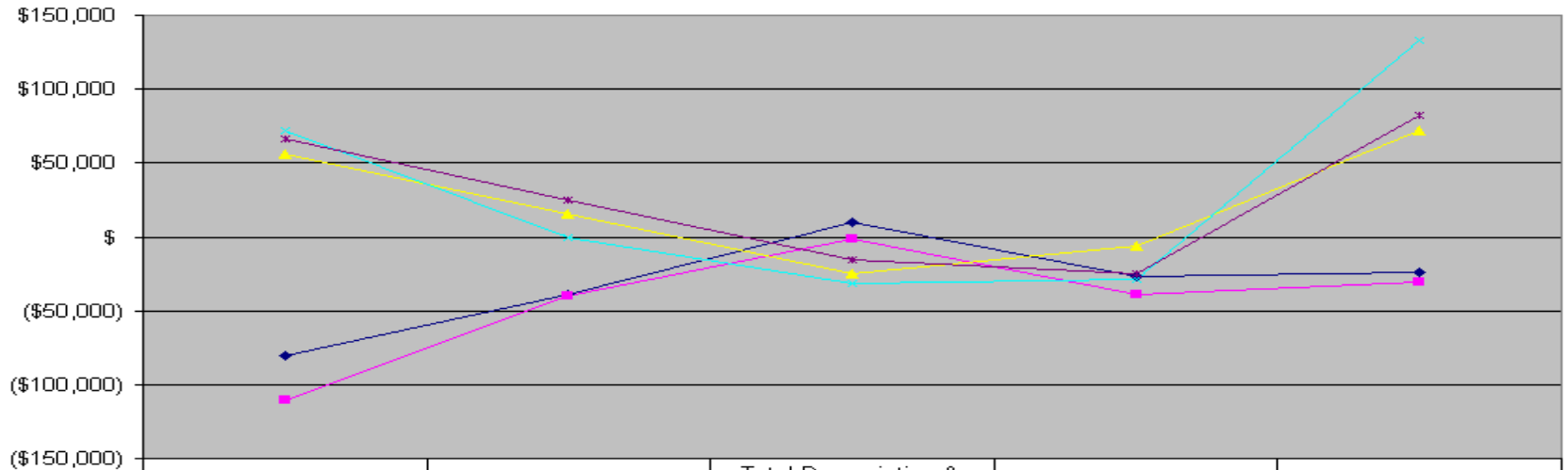
<1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties, among other factors, may result in large range swings +/- impacting the final results 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, budget and forecast data.



Transmission Services Rate Case vs. Actual Results FY2004 – FY2008

**Transmission Services Business Unit
Variances - Actual Results (Under)/Over Rate Case
FY2004 - FY2008
\$ in Thousands**



	Total Revenue	Total Program Costs	Total Depreciation & Amortization	Net Interest Expense	Net Revenue
◆ 2004 Variance	(\$79,957)	(\$38,602)	\$10,129	(\$27,146)	(\$24,339)
■ 2005 Variance	(\$110,612)	(\$40,149)	(\$1,245)	(\$38,981)	(\$30,237)
▲ 2006 Variance	\$55,978	\$15,195	(\$24,525)	(\$6,498)	\$71,806
× 2007 Variance	\$71,624	(\$517)	(\$31,933)	(\$28,590)	\$132,664
* 2008 Variance	\$66,512	\$24,457	(\$15,630)	(\$24,784)	\$82,470



Variations Between Transmission Revenue Actuals and Rate Case Forecasts FYs 2004 through 2008

- FYs 2004 and 2005 Revenue Actuals were \$80.0M and \$110.6M respectively, under Rate Case Forecasts. For both years the common main drivers include:
 - Network due to less Point-To-Point long-term and short-term sales.
 - Intertie due to less short-term and long-term sales.
 - Ancillary Services due to Scheduling, System Control & Dispatch (SCD), Operating Reserves, and Reactive Supply & Voltage from Generation.
- FY 2004 also showed an increase of Network Integration sales and Reimbursable work.

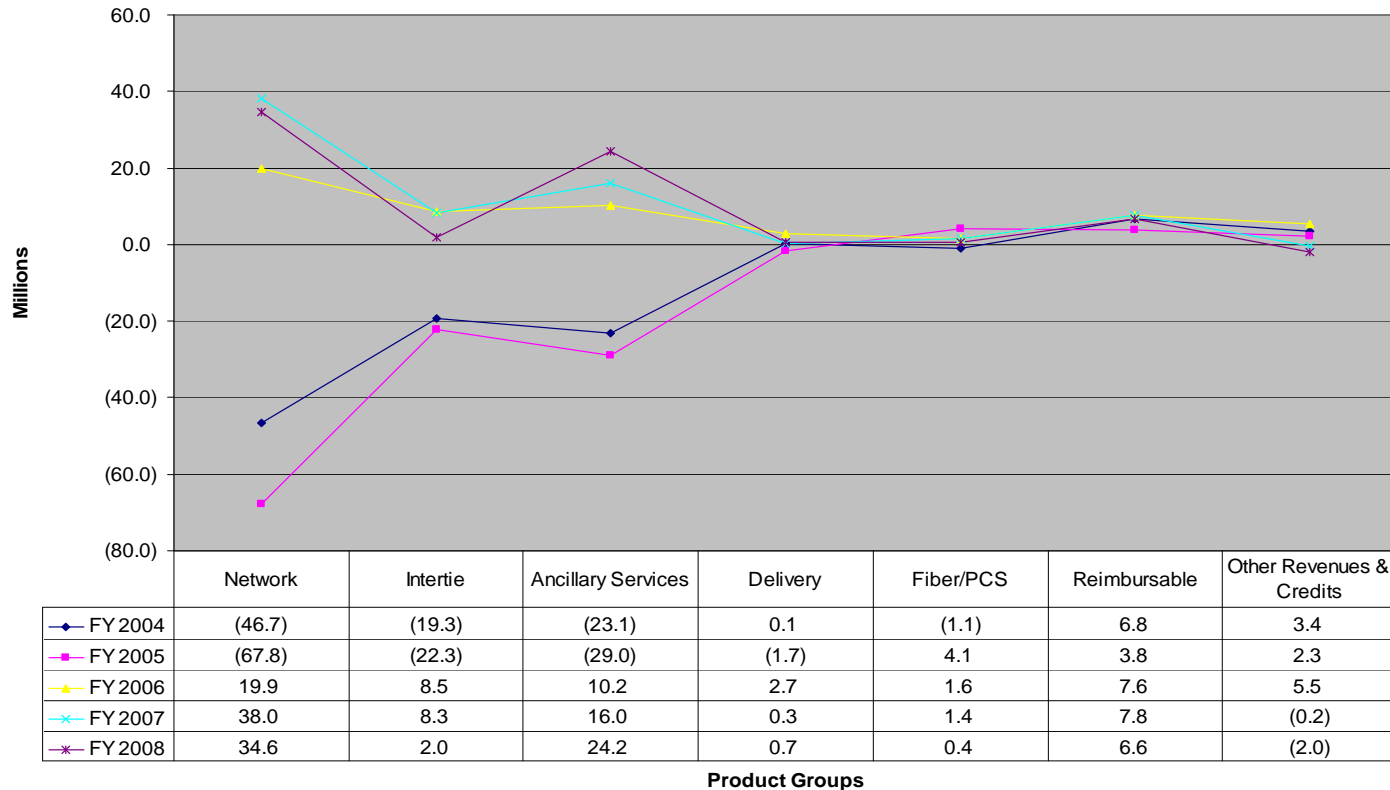


Variations Between Transmission Revenue Actuals and Rate Case Forecasts FYs 2004 through 2008

- FYs 2006, 2007 and 2008 Revenue Actuals were \$56.0M, \$71.6M, and \$66.5M respectively, over Rate Case Forecasts. For the 3 years the common main drivers include:
 - Network due to higher PTP short-term sales.
 - Ancillary Services due to higher SCD and Operating Reserve sales, and Energy and Generation Imbalance.
 - Reimbursables due to more reimbursable work than expected.
- FYs 2006 and 2007 also had Intertie revenues higher than expected due to long-term sales. This increase was offset by less short-term sales than expected.
- The following are drivers that relate only to specific years:
 - FY 2007 Network revenues were higher than expected due to PTP Long-Term sales.
 - FY 2008 Network revenues were higher than expected due to Network Integration sales.

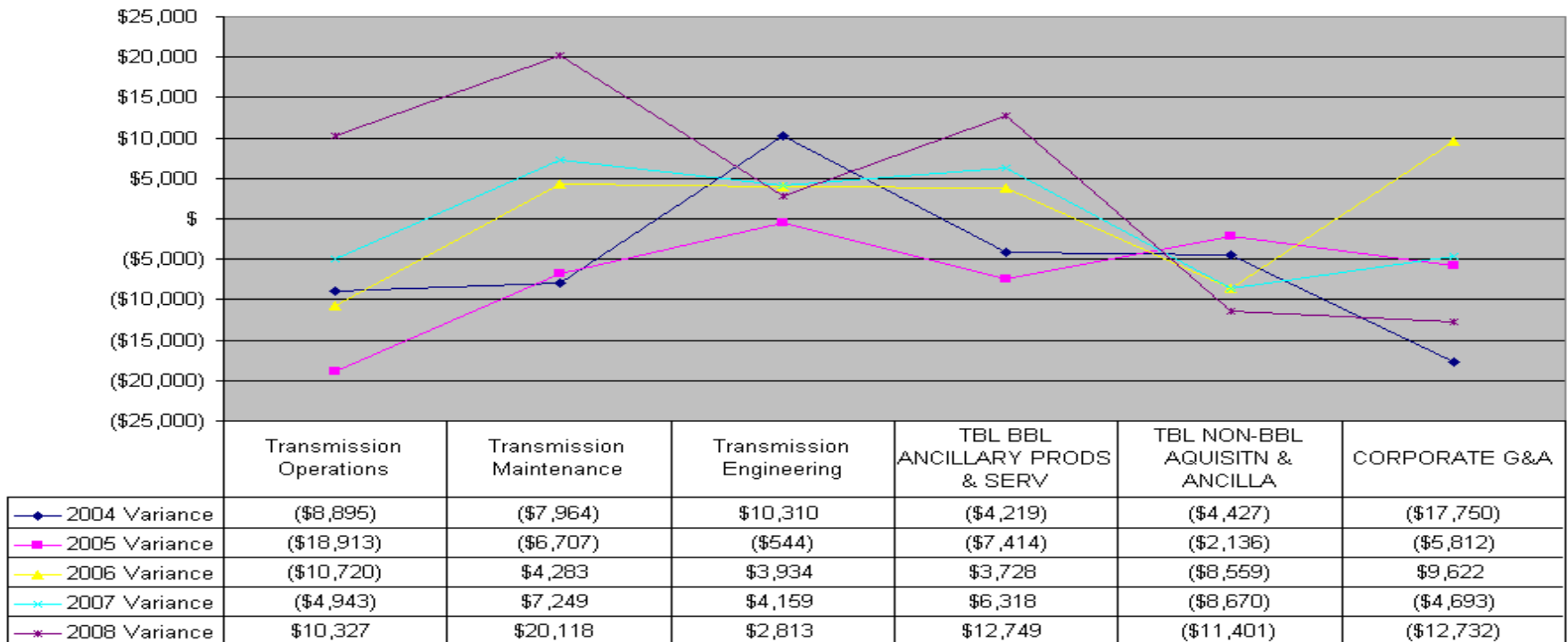


Variiances Between Transmission Revenue Actuals and Rate Case Forecasts FYs 2004 through 2008



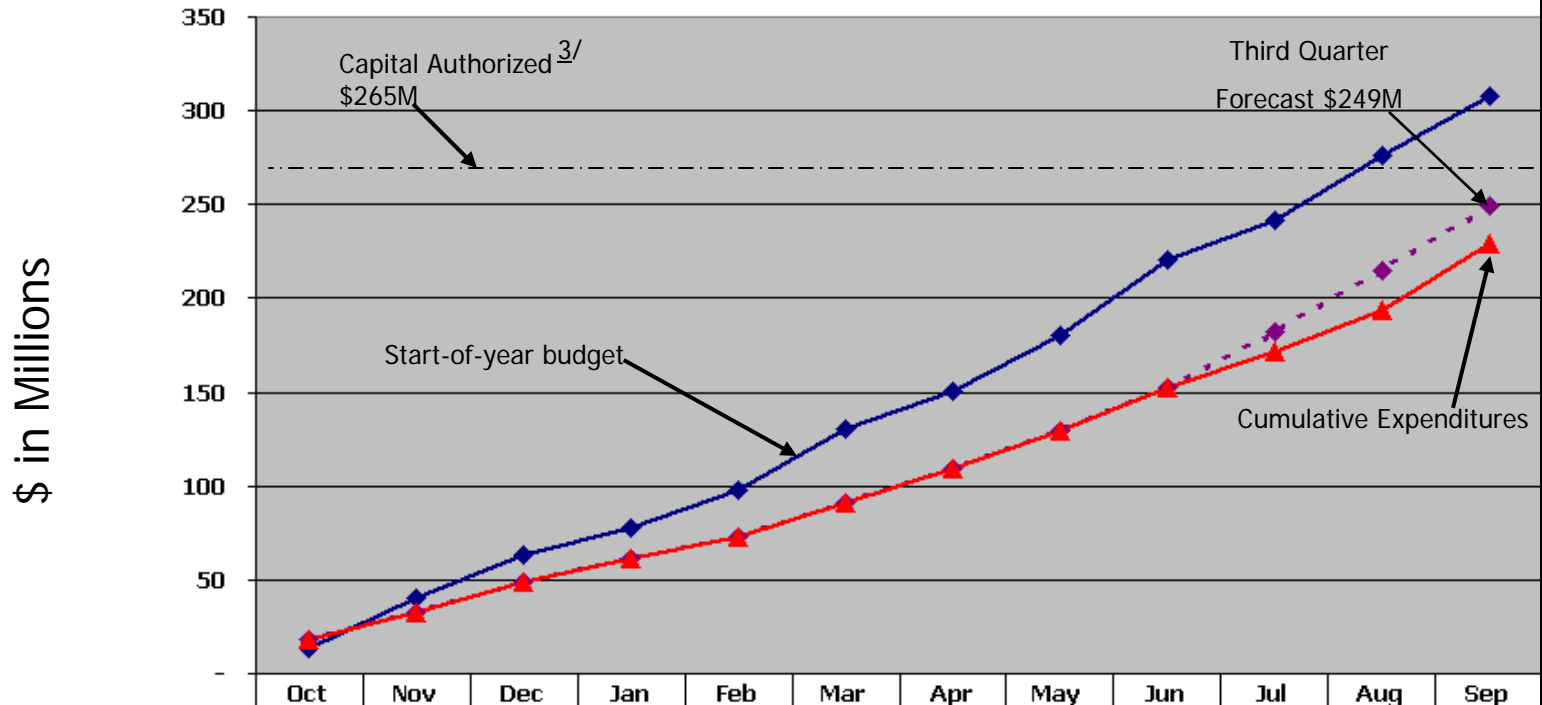
Transmission Services Rate Case vs. Actual Results Program Expenses FY 2004 – FY 2008

**Transmission Services Business Unit
Variances - Actual Costs (Under)/Over Rate Case
FY2004 - 2008
\$ in thousands**



Transmission Services Capital Program ^{1/} Cumulative View as of September 30, 2008

Capital Project Plan of \$308M & Expenditures



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ SOY Budget	13	40	63	78	98	130	151	180	221	242	276	308
-◆- EOY Forecast	18	33	49	61	73	91	109	129	152	182	215	249
▲ FYTD Expenditures	18	33	49	61	73	91	109	129	152	172	194	229
^{2/} 3rd Party Fin. Exp.	2	7	8	9	11	12	17	22	29	36	45	56

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

^{2/} These master leased financed projects are included in the fiscal year-to-date actuals shown above.

^{3/} Projects approved and allocation received to date. – loaded



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

**Bonneville Power Administration
Transmission Services Capital Spending Program by Subportfolio
YTD Through the Month Ended September 30, 2008**

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
CAPITAL DIRECT - Project 0001009 (CWIP and RWIP without AFUDC)		SOY BUDGET - UNLOADED FY 2008	ALLOCATION - UNLOADED FY 2008	CURRENT FORECAST - UNLOADED FY 2008	ACTUALS - UNLOADED Sep 2008	ACTUALS - UNLOADED FYTD 2008	% ACTUALS TO SOY BUDGET	% ACTUALS TO ALLOCATION	% ACTUALS TO FORECAST
0001032	MAIN GRID								
0005335	OLYMPIC PENINSULA PROJECT	14,220,716	14,220,716	5,000,000	2,643,822	4,518,394	32%	32%	90%
0005333	WEST OF MCNARY INTEGRATION PRO	0	0	300,000	64,236	288,388			96%
0005336	I-5 CORRIDOR UPGRADE PROJECT	0	0	200,000	6,536	105,201			53%
0005337	LIBBY-TROY LINE REBUILD	12,932,750	3,905,321	6,500,000	128,324	1,323,513	10%	34%	20%
0005338	MISC. MAIN GRID PROJECTS	4,623,088	5,093,296	2,373,089	-1,578,326	-646,772	-14%	-13%	-27%
0001032	Total Main Grid	\$ 31,776,554	\$ 23,219,333	\$ 14,373,089	\$ 1,264,593	\$ 5,588,723	18%	24%	39%
0001038	UPGRADES & ADDITIONS								
0005121	SECURITY ENHANCEMENTS	2,979,072	4,299,072	2,979,072	747,349	2,706,585	91%	63%	91%
0005193	ACCESS ROADS PROGRAM	7,849,941	10,935,941	4,288,687	861,523	2,115,703	27%	19%	49%
0005342	CELILO UPGRADES PROJECT	530,000	530,000	1,068,922	1,317	808,274	153%	153%	76%
0005343	MISC. UPGRADES AND ADDITIONS	49,587,727	52,127,712	45,015,889	4,313,895	36,816,077	74%	71%	82%
0001038	Total Upgrades & Additions	\$ 60,946,740	\$ 67,892,725	\$ 53,352,570	\$ 5,924,084	\$ 42,446,639	70%	63%	80%
0001034	AREA & CUSTOMER SERVICE								
0005339	CITY OF CENTRALIA PROJECT	5,284,030	0	3,500,000	207,152	2,885,596	55%		82%
0005340	LOWER VALLEY (CARIBOU) PROJECT	0	0	227,952	21,509	108,509			48%
0005341	MISC. AREA & CUSTOMER SERVICE	814,511	6,087,096	8,900,351	1,340,698	10,108,483	1241%	166%	114%
0001034	Total Area & Customer Service	\$ 6,098,541	\$ 6,087,096	\$ 12,628,303	\$ 1,569,358	\$ 13,102,588	215%	215%	104%
0001036	SYSTEM REPLACEMENTS								
0005344	PCB REPLACEMENT PROGRAM	4,314,023	4,314,023	3,014,023	327,052	2,351,695	55%	55%	78%
0005194	TL WOOD POLE REPLACEMENTS	9,756,788	11,693,788	9,756,788	3,814,452	15,676,478	161%	134%	161%
0005130	TL SPACER DAMPER REPLACEMENT	9,059,186	9,059,186	9,059,186	2,711,231	11,272,057	124%	124%	124%
0001176	TOOLS & WORK EQUIPMENT	6,605,548	6,354,548	6,605,548	4,118,074	6,027,162	91%	95%	91%
0005345	MISC. REPLACEMENT PROJECTS	30,520,708	38,619,358	28,028,052	4,383,945	34,620,573	113%	90%	124%
0005346	FIXED WING AIRCRAFT	2,028,249	2,028,249	428,243	0	428,243	21%	21%	100%
0001036	Total System Replacements	\$ 62,284,502	\$ 72,069,151	\$ 56,891,840	\$ 15,354,755	\$ 70,376,208	113%	98%	124%
0001041	ENVIRONMENT CAPITAL								
0005347	MISC. ENVIRONMENT PROJECTS	3,705,395	5,425,051	3,705,395	783,735	5,404,058	146%	100%	146%
0001041	Total Environment	\$ 3,705,395	\$ 5,425,051	\$ 3,705,395	\$ 783,735	\$ 5,404,058	114%	100%	146%
0005351	PFA-Misc Projects	15,199,003	15,199,000	12,137,443	1,477,940	8,826,404	58%	58%	73%
0005223	Radio Spectrum Relocation Projects	15,780,000	0	9,815,361	689,018	5,843,415	37%		60%
0005348	Generation Integration Projects	10,199,000	331,426	5,590,278	697,268	2,589,395	25%	781%	46%
0005349	COI Additions Projects	30,597,000	3,800,000	1,270,000	52,495	55,782	0%	1%	4%
0001012	Total PFA	\$ 71,775,003	\$ 19,330,426	\$ 28,813,082	\$ 2,916,721	\$ 17,314,996	24%	90%	60%
TOTAL CAPITAL DIRECT SPENDING PLAN		\$ 236,586,735	\$ 194,023,782	\$ 169,764,279	\$ 27,813,247	\$ 154,233,211	65%	79%	91%
CAPITAL INDIRECT - (CWIP and RWIP with AFUDC reported separately)									
0001045	Total Transmission Indirect Support	\$ 32,900,004	\$ 32,900,004	\$ 32,900,004	\$ 3,995,757	\$ 33,905,612	103%	103%	103%
0001044	Total Corporate Support	\$ 29,265,306	\$ 29,265,306	\$ 29,044,946	\$ 3,148,009	\$ 26,626,841	91%	91%	92%
	AFUDC - All Projects	\$ 8,730,000	\$ 8,730,000	\$ 16,934,558	\$ 1,134,785	\$ 14,183,961	162%	162%	84%
TOTAL CAPITAL INDIRECT SPENDING PLAN		\$ 70,895,310	\$ 70,895,310	\$ 78,879,508	\$ 8,278,551	\$ 74,716,414	105%	105%	95%
TOTAL CAPITAL EXPENDITURES		\$ 307,482,045	\$ 264,919,092	\$ 248,643,787	\$ 36,091,798	\$ 228,949,625	74%	86%	92%



BPA FY 2008 Capital Expenditures

\$ in thousands

<i>Capital Expenditures</i>	SOY Target: FY 2008	ACTUALS: FYTD 2008	ACTUALS: FYTD SOY Target
FCRPS	\$ 571,659	\$ 389,014	\$ (182,645)
Power Services	\$ 240,488	\$ 143,495	\$ (96,993)
Transmission Services	\$ 307,482	\$ 228,950	\$ (78,532)

Transmission Services

Transmission Capital Expenditures to date are \$228.9 million.

This is within the 3rd quarter end of year forecast range but is lower than start of year budget.

Power Services

Corps of Engineers and Bureau of Reclamation actual capital expenditures were 65 percent of the Start-of-Year target. The primary reasons for the under-execution were delays in construction contracts at several multi-year projects and design/engineering. In addition, the SOY budget included funds that were never programmed toward specific new capital replacements through the year and instead were available to respond to new investments or emergency replacements.

Conservation Acquisition actual capital expenditures were 20 percent of the Start-of-Year target. Customers used the Conservation Rate Credit and self-funding mechanisms instead of the capital program to achieve conservation savings. Also, BPA's load decrement policy regarding capital funding under the CAA (Conservation Acquisition Agreements) continues to be a barrier for some Slice/Block customers.



QBR Capital Updates

The following is the information BPA proposes to present at QBRs to provide updated information on capital plans:

- Provide quarterly update of current year actual and projected capital spending compared to the IPR forecast and an updated current year October forecast. (This would be similar to what has been presented at the quarterly PPC and Customer Collaborative meetings for Transmission capital.) Identify major projects (i.e., projects with a total direct capital cost of \$7 million or more) that have been authorized to date, or for which authorization is expected during the current fiscal year. Identify major projects that have been deferred to a future year, canceled, or accelerated from a future year from the project forecast in the IPR.
- Provide an annual comparison of actual plant placed in service compared to the IPR forecast. This would give the customers and constituents the ability to compare the actual long-term rate effects of capital investments to what was assumed in IPR. This also demonstrates how we met actual in-service date milestones for projects compared to the assumptions made in IPR.
- The next IPR being held for the FY 2012-2013 rate period will include a refresh of the five year capital forecast and asset plan.



Financial Disclosure

This information has been made publicly available by BPA on November 24, 2008 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



Power Services Income Statement as of September 30, 2008

Report ID: 0060FY08	Power Services Detailed Statement of Revenues and Expenses	Run Date/Time: November 10, 2008 07:22
Requesting BL: POWER BUSINESS UNIT	Through the Month Ended September 30, 2008	Data Source: EPM Data Warehouse
Unit of Measure: \$ Thousands (\$ 000)	Preliminary/ Unaudited	% of Year Lapsed = 100%

	A	B	C	D	E	F	G
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Current Forecast: QTR 3	Actuals per Forecast
Operating Revenues							
1 Gross Sales (excluding bookout adjustment) <Note 1	\$2,986,019	\$2,578,749	\$2,510,218	\$2,433,191	\$2,323,087	\$2,705,378	86%
2 Bookout adjustment to Sales <Note 1	(220,911)	(94,705)			(109,704)	(69,261)	158%
3 Miscellaneous Revenues	32,269	31,130	21,829	30,921	27,295	24,207	113%
4 Inter-Business Unit	75,423	78,539	61,970	59,439	68,582	61,682	111%
5 Derivatives - Mark to Market Gain (Loss) <Note 2	(100,093)	(6,519)			(30,564)	(26,608)	115%
6 U.S. Treasury Credits	80,953	70,697	89,527	94,329	104,992	106,245	99%
7 Total Operating Revenues	2,853,659	2,657,891	2,683,545	2,617,881	2,383,688	2,801,643	85%
Operating Expenses							
Power System Generation Resources							
Operating Generation							
8 COLUMBIA GENERATING STATION	228,317	276,409	188,631	231,431	236,736	238,131	99%
9 BUREAU OF RECLAMATION	62,570	67,332	74,760	74,760	72,110	72,760	99%
10 CORPS OF ENGINEERS	146,683	158,410	165,742	165,742	178,442	165,742	108%
11 LONG-TERM CONTRACT GENERATING PROJECTS	26,395	28,247	25,314	31,858	27,080	31,858	85%
12 Sub-Total	463,966	530,398	454,447	503,791	514,367	508,491	101%
Operating Generation Settlement Payment							
13 COLVILLE GENERATION SETTLEMENT	17,220	19,871	17,354	17,354	20,499	20,499	100%
14 SPOKANE GENERATION SETTLEMENT							
15 Sub-Total	17,220	19,871	17,354	17,354	20,499	20,499	100%
Non-Operating Generation							
16 TROJAN DECOMMISSIONING	3,647	2,009	4,700	5,000	1,448	1,500	97%
17 WNP-1&3 DECOMMISSIONING	444	99	200	300	(20)	300	-107%
18 Sub-Total	4,092	2,108	4,900	5,300	1,428	1,800	79%
Gross Contracted Power Purchases (excluding bookout adjustments) <Note 1							
19 DSI MONETIZED POWER SALES		44,487	59,000	59,000	55,149	55,149	100%
20 PNCA HEADWATER BENEFITS	1,261	1,399	1,714	1,714	1,652	1,714	96%
21 HEDGING/MITIGATION	13,556						
22 OTHER POWER PURCHASES - (e.g. Short-Term)	198,573	235,853	64,693	132,074	468,483	376,402	124%
23 Sub-Total	213,390	281,738	125,407	192,788	525,285	433,265	121%



Power Services Income Statement as of September 30, 2008

	A	B	C	D	E	F	G
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Current Forecast: QTR 3	Actuals per Forecast
24 Bookout Adjustments to Contracted Power Purchases <Note 1	(220,911)	(94,705)			(109,704)	(69,261)	158%
Augmentation Power Purchases (includes IOU Load Reduc. and Buy Backs)							
25 AUGMENTATION POWER PURCHASES	506,578	85,381	118,024	23,024	4,148	29,715	14%
26 CONSERVATION AUGMENTATION							
Exchanges & Settlements							
27 PUBLIC RESIDENTIAL EXCHANGE	15,000		35,861				
28 IOU RESIDENTIAL EXCHANGE	141,167	300,581	301,000	303,000	(1,171)	302,020	-100%
29 OTHER SETTLEMENTS		39,667			1,500	1,500	100%
Renewable Generation							
30 RENEWABLE CONSERVATION RATE CREDIT		5,863		6,000	3,830	6,000	64%
31 RENEWABLES	19,172	20,962	35,798	38,381	33,272	38,381	87%
Generation Conservation							
32 DSM TECHNOLOGY	498	174	646	600	745	903	82%
33 CONSERVATION ACQUISITION	471	1,643	3,654	6,745	4,176	4,085	102%
34 LOW INCOME WEATHERIZATION & TRIBAL	5,929	4,188	5,000	5,000	4,135	5,000	83%
35 ENERGY EFFICIENCY DEVELOPMENT	17,233	17,172	12,908	22,000	11,205	14,000	80%
36 LEGACY	4,267	4,545	2,638	2,638	1,666	2,638	63%
37 MARKET TRANSFORMATION	10,140	10,773	10,000	10,000	9,353	10,000	94%
38 Sub-Total	38,537	38,494	34,846	46,983	31,280	36,626	85%
39 Conservation Rate Credit (CRC)	35,963	33,619	36,000	36,000	26,688	34,000	78%
40 Power System Generation Sub-Total	1,234,173	1,263,977	1,163,637	1,172,621	1,051,421	1,343,036	78%



Power Services Income Statement as of September 30, 2008

	A	B	C	D	E	F	G
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Current Forecast: QTR 3	Actuals per Forecast
Power Non-Generation Operations							
Power Services System Operations							
41 EFFICIENCIES PROGRAM	3	164			137		
42 INFORMATION TECHNOLOGY	124	5,678		5,423	5,286	5,423	97%
43 GENERATION PROJECT COORDINATION	5,999	6,025	6,031	6,293	6,555	6,534	100%
44 SLICE IMPLEMENTATION	2,411	2,217	2,303	2,124	1,754	1,970	89%
45 Sub-Total	8,537	14,084	8,334	13,840	13,732	13,927	99%
Power Services Scheduling							
46 OPERATIONS SCHEDULING	7,350	7,648	8,231	8,393	7,985	8,754	91%
47 OPERATIONS PLANNING	4,633	5,144	5,435	5,721	5,861	6,084	96%
48 Sub-Total	11,983	12,792	13,666	14,114	13,846	14,838	93%
Power Services Marketing and Business Support							
49 SALES & SUPPORT	13,332	14,527	14,761	16,398	16,735	17,210	97%
50 PUBLIC COMMUNICATION & TRIBAL LIAISON							
51 STRATEGY, FINANCE & RISK MGMT	8,541	10,790	10,519	14,707	12,420	14,462	86%
52 EXECUTIVE AND ADMINISTRATIVE SERVICES	1,321	2,604	1,568	2,872	2,264	2,939	77%
53 CONSERVATION SUPPORT	6,595	7,053	6,537	7,606	7,903	7,606	104%
54 Sub-Total	29,790	34,975	33,385	41,583	39,321	42,217	93%
55 Power Non-Generation Operations Sub-Total	50,309	61,852	55,385	69,537	66,899	70,982	94%
Power Services Transmission Acquisition and Ancillary Services							
PBL Transmission Acquisition and Ancillary Services							
56 POWER SERVICES TRANSMISSION & ANCILLARY SERVICES	133,119	110,213	123,215	114,000	113,816	107,355	106%
57 3RD PARTY GTA WHEELING	41,848	44,007	47,000	49,170	43,136	49,170	88%
58 POWER SERVICES - 3RD PARTY TRANS & ANCILLARY SVCS	1,328	1,327	1,300	1,300	1,591	1,300	122%
59 GENERATION INTEGRATION	8,352	8,468	8,462	8,462	7,263	8,462	86%
60 TELEMETERING/EQUIP REPLACEMT	136	31	210	50	54	50	108%
61 Power Svcs Trans Acquisition and Ancillary Services Sub-Total	184,783	164,046	180,187	172,982	165,861	166,337	100%
Fish and Wildlife/USF&W/Planning Council/Environmental Req							
BPA Fish and Wildlife (includes F&W Shared Services)							
62 FISH & WILDLIFE	137,862	139,471	143,000	143,000	148,879	143,000	104%
63 F&W HIGH PRIORITY ACTION PROJECTS							
64 Sub-Total	137,862	139,471	143,000	143,000	148,879	143,000	104%
65 USF&W Lower Snake Hatcheries	20,054	19,270	19,500	19,500	19,403	19,500	100%
66 Planning Council	8,512	8,390	9,266	9,266	8,245	9,266	89%
67 Environmental Requirements	68		500	300	68	300	23%
68 Fish and Wildlife/USF&W/Planning Council Sub-Total	166,496	167,131	172,266	172,066	176,594	172,066	103%



Power Services Income Statement as of September 30, 2008

	A	B	C	D	E	F	G
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Current Forecast: QTR 3	Actuals per Forecast
BPA Internal Support							
69 Additional Post-Retirement Contribution	11,600	10,550	9,000	9,000	9,000	9,000	100%
70 Agency Services G&A (excludes direct project support)	57,069	46,413	54,457	43,460	48,160	43,460	111%
71 Shared Services (includes Supply Chain & excludes direct project support)	207						
72 BPA Internal Support Sub-Total	68,876	56,963	63,457	52,460	57,160	52,460	109%
73 Bad Debt Expense	(527)	(90)			(42)	(45)	94%
74 Other Income, Expenses, Adjustments	(2,683)	49	1,800	1,800	(3,241)	647	-601%
Non-Federal Debt Service							
Energy Northwest Debt Service							
75 COLUMBIA GENERATING STATION DEBT SVC	103,071	96,868	217,856	128,778	114,911	113,660	101%
76 WNP-1 DEBT SVC	96,687	88,559	165,916	145,637	130,258	134,047	97%
77 WNP-3 DEBT SVC	71,153	79,034	160,092	154,252	145,125	146,399	99%
78 EN RETIRED DEBT	212,400	178,888			82,500	95,000	100%
79 EN LIBOR INTEREST RATE SWAP	(155)	(2,091)		2,000	4,668	6,000	78%
80 Sub-Total	483,156	441,258	543,864	513,167	489,964	495,106	99%
Non-Energy Northwest Debt Service							
81 TROJAN DEBT SVC	8,480	8,149	7,888	7,900	5,976	7,900	76%
82 CONSERVATION DEBT SVC	5,282	5,288	5,198	5,198	5,268	5,198	101%
83 COWLITZ FALLS DEBT SVC	11,713	11,708	11,583	11,713	11,711	11,713	100%
84 NORTHERN WASCO DEBT SVC			1,664	1,664		1,664	0%
85 Sub-Total	25,475	25,145	26,333	26,474	22,954	26,475	87%
86 Non-Federal Debt Service Sub-Total	508,632	466,404	570,197	539,641	512,918	521,581	98%
87 Depreciation	114,496	106,434	121,852	112,580	113,374	109,607	103%
88 Amortization	67,382	69,770	76,332	75,311	70,092	70,279	100%
89 Total Operating Expenses	2,391,937	2,356,535	2,405,113	2,368,998	2,211,037	2,506,950	88%
90 Net Operating Revenues (Expenses)	461,722	301,357	278,432	248,883	172,651	294,692	59%



Power Services Income Statement as of September 30, 2008

	A	B	C	D	E	F	G
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Current Forecast: QTR 3	Actuals per Forecast
Interest Expense							
Interest							
91 Appropriated Interest	223,449	234,454	208,560	222,955	221,268	221,007	100%
92 Capitalization Adjustment	(45,937)	(45,937)	(45,937)	(45,937)	(45,937)	(45,937)	100%
93 Gross Bonds Interest Expense	36,422	39,304	70,159	43,655	41,133	41,105	100%
94 Interest Earned on BPA Fund	(37,012)	(56,651)	(55,034)	(60,225)	(58,558)	(58,120)	101%
95 AFUDC	(19,313)	(25,654)	(8,000)	(12,800)	(15,160)	(13,205)	115%
96 Net Interest Expense	157,609	145,516	169,748	147,648	142,746	144,850	99%
97 Total Expenses	2,549,546	2,502,050	2,574,861	2,516,646	2,353,782	2,651,800	89%
98 Net Revenues (Expenses) from Continuing Operations	304,113	155,841	108,684	101,235	29,905	149,842	20%
99 Net Revenues (Expenses)	\$304,113	\$155,841	\$108,684	\$101,235	\$29,905	\$149,842	20%

<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



Transmission Services Income Statement as of September 30, 2008

Report ID: 0061FY08	Transmission Services Detailed Statement of Revenues and Expenses		
Requesting BL: TRANSMISSION BUSINESS UNIT	Through the Month Ended September 30, 2008 as of September 30, 2008		
Unit of Measure: \$ Thousands (\$000)	Preliminary/ Unaudited		

	A	B	C ^{<Note 1}	D	E	F	G
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast
Operating Revenues							
1 Sales	\$605,324	\$652,172	\$639,300	\$646,619	\$683,964	\$667,943	102%
2 Miscellaneous Revenues	35,808	37,116	31,434	31,592	37,548	34,243	110%
3 Inter-Business Unit Revenues	143,207	119,336	106,969	115,081	122,703	102,371	120%
4 Total Operating Revenues	784,339	808,624	777,703	793,292	844,215	804,557	105%
Operating Expenses							
Transmission Operations							
System Operations							
5 INFORMATION TECHNOLOGY	1,299	4,297	662	6,085	4,465	7,003	64%
6 POWER SYSTEM DISPATCHING	8,271	9,614	10,125	10,125	10,268	10,205	101%
7 CONTROL CENTER SUPPORT	9,265	9,492	9,449	9,449	10,978	10,946	100%
8 TECHNICAL OPERATIONS	3,204	3,338	3,694	3,693	4,193	4,371	96%
9 SUBSTATION OPERATIONS	18,193	17,151	18,758	18,767	18,712	16,485	114%
10 Sub-Total	40,232	43,892	42,688	48,118	48,616	49,010	99%
Scheduling							
11 MANAGEMENT SUPERVISION & ADMINISTRATION	845	523	1,035	1,035	491	486	101%
12 RESERVATIONS	394	578	459	459	871	751	116%
13 PRE-SCHEDULING	652	448	755	755	360	402	90%
14 REAL-TIME SCHEDULING	3,583	3,531	3,971	3,971	3,815	3,591	106%
15 SCHEDULING TECHNICAL SUPPORT	1,953	1,219	2,691	2,691	1,540	1,598	96%
16 SCHEDULING AFTER-THE-FACT	306	209	666	666	1,243	1,250	99%
17 Sub-Total	7,733	6,508	9,577	9,577	8,320	8,078	103%

Footnotes on last report page.



Transmission Services Income Statement as of September 30, 2008

	A	B	C ^{<Note 1}	D	E	F	G
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast
Marketing and Business Support							
18 TRANSMISSION SALES	2,371	2,673		2,230	2,055	2,183	94%
19 MKTG EXECUTIVE OFFICE							
20 MKTG INTERNAL OPERATIONS	572	220	861	861	137	96	142%
21 MKTG TRANSMISSION FINANCE	668	380	815	721	392	423	93%
22 MKTG CONTRACT MANAGEMENT	1,776	2,895	1,456	4,252	3,530	3,764	94%
23 MKTG TRANSMISSION BILLING	1,577	2,840	1,922	4,414	2,027	2,006	101%
24 MKTG BUSINESS STRAT & ASSESS	2,835	3,379	2,446	3,247	3,982	3,848	103%
25 MARKETING IT SUPPORT	433	1,081	158		575	664	87%
26 MARKETING AND SALES	503	242	2,230				
27 METER DATA	618		1,354				
28 Marketing Sub-Total	11,352	13,712	11,242	15,725	12,698	12,984	98%
29 EXECUTIVE AND ADMIN SERVICES	5,354	6,726	8,045	6,950	8,594	9,252	93%
30 STAFF MANAGEMENT (HR)	(431)						
31 LEGAL SUPPORT	1,629	1,893		2,515	2,038	2,540	80%
32 RANS SERVICES INTERNAL GENERAL & ADMINISTRATIVE	12,717	12,295	7,577	7,138	10,679	8,740	122%
33 SUPPORT FOR SHARED SERVICES PRODUCTS							
34 AIRCRAFT SERVICES	723	608	1,327	1,105	679	669	102%
35 LOGISTICS SERVICES	3,685	5,436	5,080	5,080	4,040	5,661	71%
36 SECURITY ENHANCEMENTS	950	1,026	1,028	578	1,226	1,002	122%
37 Business Support Sub-Total	24,628	27,984	23,057	23,366	27,256	27,864	98%
38 Transmission Operations Sub-Total	83,946	92,096	86,564	96,787	96,891	97,935	99%

Footnotes on last report page.



Transmission Services Income Statement as of September 30, 2008

	A	B	D ^{<Note 1}	E	F	G	H
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast
Transmission Maintenance							
System Maintenance							
39 NON-ELECTRIC MAINTENANCE	9,587	8,439	11,053	11,074	9,340	9,851	95%
40 SUBSTATION MAINTENANCE	19,903	19,706	17,386	17,656	25,154	23,256	108%
41 TRANSMISSION LINE MAINTENANCE	18,989	17,442	18,826	17,149	20,182	21,853	92%
42 SYSTEM PROTECTION CONTROL MAINTENANCE	10,460	9,535	9,730	9,025	10,864	11,310	96%
43 POWER SYSTEM CONTROL MAINTENANCE	8,682	8,248	10,627	10,873	10,328	9,880	105%
44 JOINT COST MAINTENANCE	111	181		223	207	165	125%
45 SYSTEM MAINTENANCE MANAGEMENT	3,533	7,535	6,822	5,652	5,167	5,219	99%
46 ROW MAINTENANCE	11,377	14,779	12,844	16,567	28,302	18,201	155%
47 HEAVY MOBILE EQUIP MAINT	135	(179)	858		355	()	-3545608800%
48 TECHNICAL TRAINING	2,319	2,180	3,530	3,531	2,149	2,284	94%
49 Sub-Total	85,096	87,866	91,676	91,749	112,047	102,019	110%
Environmental Operations							
50 ENVIRONMENTAL ANALYSIS	45	45		74	86	103	84%
51 POLLUTION PREVENTION AND ABATEMENT	2,799	2,995	3,389	3,314	3,050	3,212	95%
52 Sub-Total	2,843	3,039	3,389	3,388	3,136	3,315	95%
53 Transmission Maintenance Sub-Total	87,939	90,905	95,065	95,136	115,183	105,334	109%

Footnotes on last report page.



Transmission Services Income Statement as of September 30, 2008

	A	B	C ^{<Note 1}	D	E	F	G
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast
Transmission Engineering							
System Development							
54 RESEARCH & DEVELOPMENT	2,997	2,845	3,396	6,404	3,417	2,676	128%
55 TSD PLANNING AND ANALYSIS	3,743	4,447	3,502	3,439	6,306	6,126	103%
56 CAPITAL TO EXPENSE TRANSFER	6,625	2,847	8,000	8,000	6,050	6,474	93%
57 REGULATORY & REGION ASSOC FEES	354	3,790	2,180	5,552	4,118	6,288	65%
58 ENVIRONMENTAL POLICY/PLANNING	1,056	1,088	1,266	1,326	1,266	1,390	91%
59 Sub-Total	14,775	15,017	18,344	24,720	21,157	22,954	92%
60 Transmission Engineering Sub-Total	14,775	15,017	18,344	24,720	21,157	22,954	92%
Trans. Services Transmission Acquisition and Ancillary Services							
BBL Acquisition and Ancillary Products and Services							
61 ANCILLARY SERVICES PAYMENTS	67,980	68,399	45,521	50,993	54,894	48,683	113%
62 OTHER PAYMENTS TO POWER SERVICES	3,775	6,527	6,652	7,048	10,799	11,139	97%
63 STATION SERVICES PAYMENTS	3,202	3,613	3,589	3,589	2,818	2,689	105%
64 Sub-Total	74,957	78,539	55,762	61,630	68,511	62,511	110%
Non-BBL Acquisition and Ancillary Products and Services ^{<Note 2}							
65 LEASED FACILITIES	5,115	5,305	13,608	15,269	5,140	15,893	32%
66 GENERAL TRANSFER AGREEMENTS (settlement)	1		931				
67 NON-BBL ANCILLARY SERVICES	8,511	7,261	3,050	3,981	1,047	1,097	95%
68 Sub-Total	13,627	12,566	17,589	19,250	6,188	16,990	36%
69 Trans. Svcs. Acquisition and Ancillary Services Sub-Total	88,584	91,105	73,351	80,880	74,698	79,501	94%
Transmission Reimbursables							
Reimbursables							
70 EXTERNAL REIMBURSABLE SERVICES	23,050	12,647	10,000	8,196	10,021	9,608	104%
71 INTERNAL REIMBURSABLE SERVICES	1,006	434		1,804	1,943	392	496%
72 Sub-Total	24,056	13,081	10,000	10,000	11,964	10,000	120%
73 Transmission Reimbursables Sub-Total	24,056	13,081	10,000	10,000	11,964	10,000	120%

Footnotes on last report page.



Transmission Services Income Statement as of September 30, 2008

	A	B	C ^{<Note 1}	D	E	F	G
	Actuals: FY 2006	Actuals: FY 2007	Rate Case: FY 2008	Target SOY: FY 2008	Actuals: FYTD 2008	Forecast: Current EOY	Actuals per Forecast
BPA Internal Support							
74 Additional Post-Retirement Contribution	11,600	10,550	9,000	9,000	9,000	9,000	100%
75 Agency Services G & A (excludes direct project support)	63,401	53,789	68,098	52,498	55,366	52,498	105%
76 Shared Services (excludes direct proj sup)	1						
77 BPA Internal Support Subtotal	75,002	64,339	77,098	61,498	64,366	61,498	105%
Other Income, Expenses, and Adjustments							
78 Bad Debt Expense	903	(1,221)			(58)	(45)	127%
79 Other Income, Expenses, Adjustments	(2,104)	(1,798)			(1,321)	(2,729)	48%
80 Capital Projects with Expense Accounts							
81 Undistributed Reduction			(2,000)	(2,000)		(2,000)	0%
82 Non-Federal Debt Service <Note 2	5,770	9,032	6,064	3,380		3,492	0%
83 Depreciation	171,264	175,376	190,229	183,461	173,693	175,000	99%
84 Amortization <Note 2	94	208		1,011	906	1,000	91%
85 Total Operating Expenses	550,231	548,140	554,715	554,873	557,478	551,940	101%
86 Net Operating Revenues (Expenses)	234,108	260,484	222,988	238,418	286,737	252,618	114%
Interest Expense							
Interest on Federal Investment							
87 Appropriated	46,435	44,665	37,918	40,838	40,838	40,838	100%
88 Capitalization Adjustment	(18,968)	(18,968)	(18,968)	(18,968)	(18,968)	(18,968)	100%
89 Gross Bonds Interest Expense	99,184	90,860	114,385	83,648	98,138	80,425	122%
90 Interest Earned on BPA Fund	(13,517)	(17,808)	(10,506)	(20,075)	(22,075)	(19,616)	113%
91 Debt Service Reassignment Interest	32,827	42,574	42,546	51,137	51,137	51,137	100%
92 AFUDC	(9,201)	(7,518)	(10,295)	(8,730)	(12,711)	(8,730)	146%
93 Net Interest Expense	136,761	133,806	155,080	127,850	136,360	125,086	109%
94 Total Expenses	686,992	681,946	709,795	682,723	693,838	677,026	102%
95 Net Revenues (Expenses) from Continuing Operations	97,347	126,678	67,908	110,568	150,378	127,532	118%
96 Net Revenues (Expenses)	\$97,347	\$126,678	\$67,908	\$110,568	\$150,378	\$127,532	118%

<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, budget and forecast data.

