

Federal Columbia River Power System (FCRPS)
FY 2013 SECOND QUARTER REVIEW

Net Revenues and Reserves

Projection for FY 2013



April 26, 2013

FY 2013 SECOND QUARTER REVIEW
EXECUTIVE HIGHLIGHTS
April 26, 2013

(\$ in Millions)

	FY 2013 SECOND QUARTER REVIEW Current Expectation			
	A	B	C	D
	<i>FY 2012 Audited Actuals without Bookouts ^{1/}</i>	<i>FY 2013 Start of Year without Bookouts ^{1/}</i>	<i>without Bookouts ^{1/}</i>	<i>with Bookouts</i>
1. REVENUES	3,380	3,381	3,417	3,367
2. EXPENSES	3,293	3,488	3,554	3,505
3. NET REVENUES ^{2/}	86.8	(107)	(138) ^{6/}	(138) ^{6/}
4. ADJUSTED NET REVENUES ^{3/}	127.9	51	21 ^{6/}	21 ^{6/}
5. END OF YEAR FINANCIAL RESERVES ^{4/}	1,022.2	980	1,233 ^{6/}	1,233 ^{6/}
6. BPA ACCRUED CAPITAL EXPENDITURES ^{5/}	664	995	823	823

Footnotes

- 1/ Does not reflect the change in accounting for power "bookout" transactions made after adoption of new accounting guidance as of Oct 1, 2003.
- 2/ Net revenues include the effects of non-federal debt management. An example of non-federal debt management is the refinancing of ENW debt.
- 3/ Adjusted Net Revenues is calculated by adding Power Services and Transmission Services Net Revenues.
- 4/ Financial reserves equal total cash plus deferred borrowing and investments in non-marketable U.S. Treasury securities.
- 5/ Funded by borrowing from the U.S. Treasury.
- 6/ 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.

	A	B	C <Note 1	D	E	F
	FY 2012	FY 2013			FY 2013	
	Actuals	Start of Year Budget	Current End of Year Forecast	Current Forecast / Start of Year Budget	Actuals: FYTD	Actuals / SOY Budget
Operating Revenues						
1 Gross Sales (excluding bookout adjustment) <Note 3	\$ 3,241,564	\$ 3,229,115	\$ 3,253,671	101%	\$ 1,694,478	52%
2 Bookout adjustment to Sales	(61,972)	-	(49,769)	0%	(49,769)	0%
3 Miscellaneous Revenues	56,675	65,796	71,669	109%	35,247	54%
4 U.S. Treasury Credits	81,583	85,999	91,249	106%	48,922	57%
5 Total Operating Revenues	3,317,850	3,380,909	3,366,820	100%	1,728,878	51%
Operating Expenses						
Power System Generation Resources						
Operating Generation Resources						
6 Columbia Generating Station	292,636	338,267	335,298	99%	177,278	52%
7 Bureau of Reclamation	89,005	132,391	128,691	97%	46,769	35%
8 Corps of Engineers	206,967	215,700	215,700	100%	98,907	46%
9 Long-term Contract Generating Projects	25,869	26,008	25,258	97%	12,368	48%
10 Operating Generation Settlement Payment	20,437	20,785	22,121	106%	11,419	55%
11 Non-Operating Generation	2,153	2,316	2,216	96%	1,125	49%
12 Gross Contracted Power Purchases and Augmentation Power Purch	205,350	119,364	191,882	161%	157,110	132%
13 Bookout Adjustment to Power Purchases	(61,972)	-	(49,769)	0%	(49,769)	0%
14 Exchanges & Settlements <Note 3	203,712	203,200	203,513	100%	114,366	56%
15 Renewables	33,912	37,956	35,140	93%	14,516	38%
16 Generation Conservation	37,505	47,850	45,436	95%	16,169	34%
17 Subtotal Power System Generation Resources	1,055,573	1,143,838	1,155,487	101%	600,258	52%
Power Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	51,274	55,035	55,135	100%	25,305	46%
19 Power Services Non-Generation Operations	79,794	89,537	85,059	95%	37,402	42%
20 Transmission Operations	121,792	131,248	127,443	97%	56,922	43%
21 Transmission Maintenance	135,377	153,278	149,115	97%	66,657	43%
22 Transmission Engineering	46,111	41,855	40,934	98%	17,212	41%
23 Trans Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	18,093	9,381	11,374	121%	6,886	73%
24 Transmission Reimbursables	8,241	9,682	11,694	121%	10,316	107%
25 Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	279,641	282,067	281,096	100%	137,095	49%
BPA Internal Support						
26 Additional Post-Retirement Contribution	34,486	35,064	35,642	102%	17,820	51%
27 Agency Services G&A	109,854	110,942	114,750	103%	53,400	48%
28 Other Income, Expenses & Adjustments	(216)	(2,297)	1,164	-151%	1,095	-148%
29 Non-Federal Debt Service	659,680	732,138	731,240	100%	359,987	49%
30 Depreciation & Amortization	389,097	408,383	420,783	103%	210,446	52%
31 Total Operating Expenses	2,988,798	3,200,151	3,220,916	101%	1,600,803	50%
32 Net Operating Revenues (Expenses)	329,052	180,759	145,904	81%	128,075	71%
Interest Expense and (Income)						
33 Interest Expense	331,732	363,288	355,264	98%	169,503	47%
34 AFUDC	(45,845)	(46,810)	(41,345)	88%	(21,881)	47%
35 Interest Income	(43,587)	(28,760)	(30,145)	105%	(9,937)	35%
36 Net Interest Expense (Income)	242,301	287,718	283,774	99%	137,686	48%
37 Net Revenues (Expenses)	\$ 86,752	\$ (106,960)	\$ (137,870)	129%	\$ (9,611)	9%

<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

<2 The consolidated FCRPS Statement reduces reported Revenues and Expenses where between business line transactions occur, the most significant of which are for Transmission Acquisition and Ancillary

<3 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefits payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide