

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

Net Revenues and Reserves

Projection for FY 2013



July 26, 2013



FY 2013 Third Quarter Review

Executive Highlights – July 26, 2013

(\$ in Millions)

	A	B	C
	FY 2012 Actuals/ ²	FY 2013 Start of Year/ ²	FY 2013 Current Quarter Review/ ²
1. Revenues ^{/1}	3,380	3,381	3,432
2. Expenses ^{/1}	3,293	3,488	3,517
3. Net Revenues ^{/1,3}	87	(107)	(85) ^{/7}
4. Adjusted Net Revenue ^{/4}	128	51	75 ^{/7}
5. End of Year Financial Reserves ^{/5}	1,022	980	1,309 ^{/7}
6. BPA Accrued Capital Expenditures ^{/6}	664	995	782

Footnotes

- <1 The actuals for Revenues, Expenses and Net Revenues are audited.
- <2 Does not reflect power "bookout" transactions.
- <3 Net revenues include the effects of non-federal debt management. An example of non-federal debt management is the refinancing of ENW debt.
- <4 Adjusted Net Revenue is calculated by adding Power Services and Transmission Services Net Revenues.
- <5 For fiscal year 2013, financial reserves consist of BPA cash, investments in U.S. Treasury market-based special securities and deferred borrowing.
- <6 Funded by borrowing from the U.S. Treasury.
- <7 There is uncertainty regarding the potential results that could occur by the end of the year, mainly a result of water conditions, which may affect net secondary sales, and short-term market prices.



FY 2013 Third Quarter Review

Executive Highlights – July 26, 2013

Report ID: 0070FY13	FCRPS Summary Statement of Revenues and Expenses	Run Date/Run Time: July 18,2013/ 05:52
Requesting BL: CORPORATE BUSINESS UNIT	Quarterly Review at June 30, 2013	Data Source: EPM Data Warehouse
Unit of measure: \$ Thousands	Preliminary/ Unaudited	% of Year Elapsed = 75%

	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 / SOY Budget	Actuals: FYTD	Actuals / SOY Budget
Operating Revenues						
1 Gross Sales (excluding bookout adjustment) <Note 3	\$ 3,241,564	\$ 3,229,115	\$ 3,262,437	101%	\$ 2,504,095	78%
2 Bookout adjustment to Sales	(61,972)	-	(58,870)	0%	(58,870)	0%
3 Miscellaneous Revenues	56,675	65,796	76,893	117%	52,447	80%
4 U.S. Treasury Credits	81,583	85,999	92,777	108%	70,523	82%
5 Total Operating Revenues	3,317,850	3,380,909	3,373,237	100%	2,568,195	76%
Operating Expenses						
Power System Generation Resources						
Operating Generation Resources						
6 Columbia Generating Station	292,636	338,267	330,147	98%	260,560	77%
7 Bureau of Reclamation	89,005	132,391	128,691	97%	88,203	67%
8 Corps of Engineers	206,967	215,700	215,700	100%	151,555	70%
9 Long-term Contract Generating Projects	25,869	26,008	23,490	90%	16,655	64%
10 Operating Generation Settlement Payment	20,437	20,785	22,121	106%	16,770	81%
11 Non-Operating Generation	2,153	2,316	(22,400)	-1067%	1,695	73%
12 Gross Contracted Power Purchases and Augmentation Power Purch	205,350	119,364	191,973	161%	185,384	155%
13 Bookout Adjustment to Power Purchases	(61,972)	-	(58,870)	0%	(58,870)	0%
14 Exchanges & Settlements <Note 3	203,712	203,200	202,689	100%	159,241	78%
15 Renewables	33,912	37,956	36,140	95%	24,623	65%
16 Generation Conservation	37,505	47,850	41,396	87%	24,157	50%
17 Subtotal Power System Generation Resources	1,055,573	1,143,838	1,111,077	97%	869,973	76%
Power Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	51,274	55,035	55,135	100%	39,599	72%
Power Services Non-Generation Operations	79,794	89,537	84,076	94%	55,142	62%
Transmission Operations	121,792	131,248	123,016	94%	85,264	65%
Transmission Maintenance	135,377	153,278	148,808	97%	102,586	67%
Transmission Engineering	46,111	41,855	42,493	102%	29,082	69%
Trans Services Transmission Acquisition and Ancillary Services - (3rd Party) <Note 2	18,093	9,381	11,341	121%	8,852	94%
Transmission Reimbursables	8,241	9,682	11,725	121%	12,375	128%
Fish and Wildlife/USF&W/Planning Council/Environmental Requirements	279,641	282,067	281,104	100%	199,379	71%
BPA Internal Support						
Additional Post-Retirement Contribution	34,486	35,064	35,642	102%	26,730	76%
Agency Services G&A	109,854	110,942	113,751	103%	81,448	73%
Other Income, Expenses & Adjustments	(216)	(2,297)	1,319	-157%	1,120	-149%
Non-Federal Debt Service	659,680	732,138	733,281	100%	539,994	74%
30 Depreciation & Amortization	389,097	408,383	421,658	103%	315,705	77%
31 Total Operating Expenses	2,988,798	3,200,151	3,174,426	99%	2,367,249	74%
32 Net Operating Revenues (Expenses)	329,052	180,759	198,811	110%	200,946	111%
Interest Expense and (Income)						
33 Interest Expense	331,732	363,288	357,183	98%	261,470	72%
34 AFUDC	(45,845)	(46,810)	(42,635)	91%	(32,905)	70%
35 Interest Income	(43,587)	(28,760)	(30,685)	107%	(20,639)	72%
36 Net Interest Expense (Income)	242,301	287,718	283,863	99%	207,925	72%
37 Net Revenues (Expenses)	\$ 86,752	\$ (106,960)	\$ (85,052)	80%	\$ (6,979)	7%

- <1 Although the forecasts in this report are presented as point estimates, BPA operates a hydro-based system that encounters much uncertainty regarding water supply and wholesale market prices. These uncertainties among other factors may result in large range swings +/- impacting the final results in revenues, expenses, and cash reserves.
- <2 The consolidated FCRPS Statement reduces reported Revenues and Expenses where between business line transactions occur, the most significant of which are for Transmission Acquisition and Ancillary
- <3 The Residential Exchange Program expenses reflect the Scheduled Amount of REP benefits payments established in the 2012 REP Settlement Agreement. The Scheduled Amount of REP benefit payments incorporates a \$76,537,617 reduction in REP benefits to provide Refund Amount payments to COUs. The Refund Amount returned to the COUs is reflected through a reduction in the Gross Sales amount.

