

How BPA spends a dollar of its power revenues

O&M (24 cents)

Operation and maintenance costs at the hydro projects and Columbia Generating Station.

Debt (24 cents)

Principle and interest on federal and nonfederal debt.

Fish & Wildlife (17 cents, plus the impact of lost power generation)

Principle and interest on debt, expense and people costs total 17 cents. But the full impact is 24 cents due to the cost of lost power generation that results from spill to support fish and wildlife.

Residential Exchange (9 cents)

Payments to consumers served by higher-cost investor- and consumer-owned utilities.

Conservation (7 cents)

Principle and interest on debt, expense costs, people and Energy Efficiency Incentive.



BPA people (5 cents)

Salaries, benefits and supplies for power and corporate employees not supporting conservation and fish and wildlife.

Power purchases (5 cents)

System augmentation, balancing purchases, renewable purchases, long-term contracts and risk mitigation.

Transmission (4 cents)

Resource integration costs and cost to deliver secondary energy to customers.

Transfer (3 cents)

Cost to deliver power to customers not directly connected to BPA's transmission system.

Rate discounts (2 cents)

Discount provided to customers with low system densities and to customers with eligible irrigation load.

Source of BPA's power revenues

Tier 1 Priority Firm (78 cents)
Revenue from the sale of power at Tier 1 rates to PUDs, co-ops, municipalities, federal agencies and tribal utilities.

Secondary (12 cents)
Revenue from the sale of surplus power at negotiated rates.

Generation inputs (4 cents)
Revenue from using generation to support reliable transmission service.

4(h)(10)(C) (3 cents)
Revenue credit from U.S. taxpayers to pay for a portion of fish and wildlife costs.

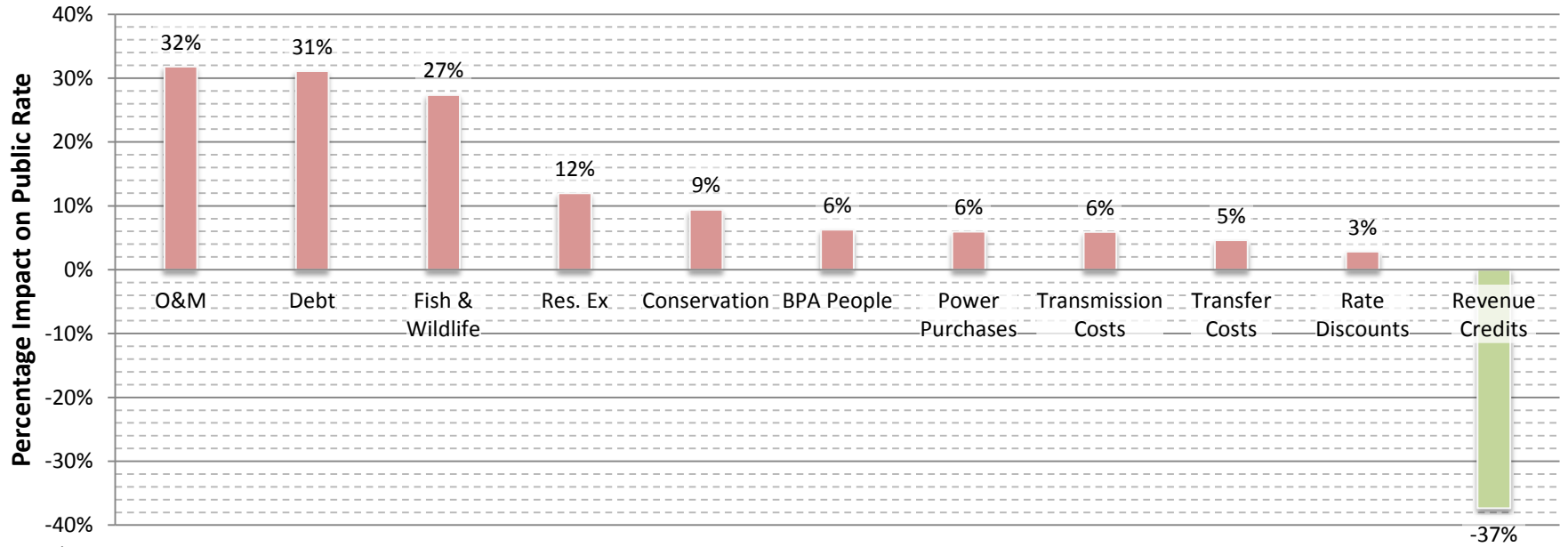


Miscellaneous (2 cents)
Revenue from long-term contracts, downstream benefits and firm surplus sales.

Tier 2 Priority Firm (1 cent)
Revenue from the sale of power at Tier 2 rates to PUDs, co-ops, municipalities, federal agencies and tribal utilities.

Direct Service Industrial (0.2 cent)
Revenue from one directly served industrial customer.

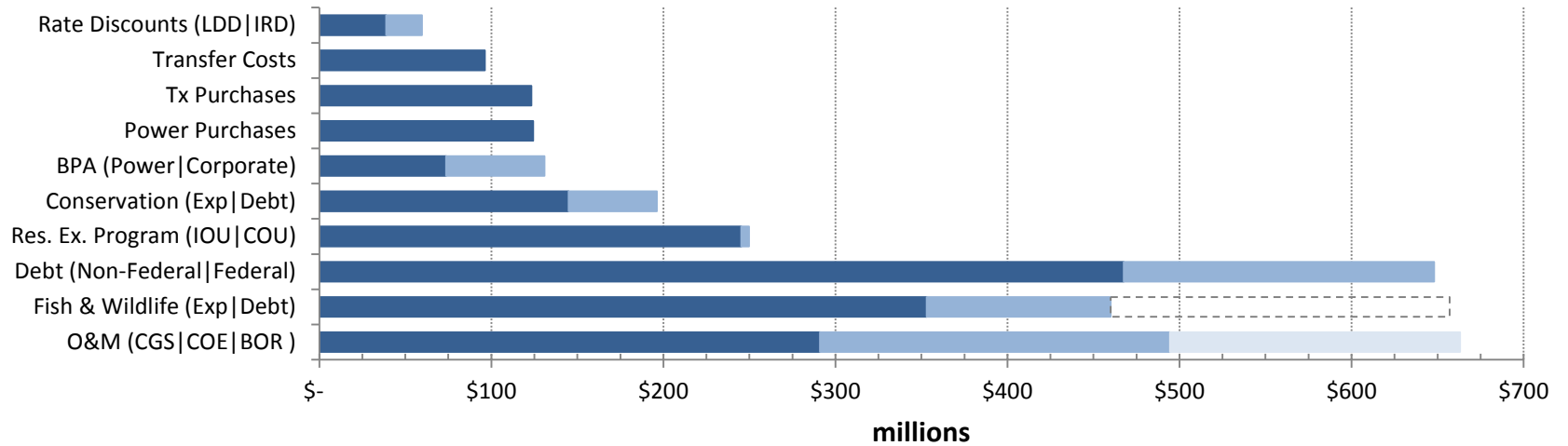
Cost and revenue impact on BPA's public power rate



Power costs and revenue

BP-20 Power Costs (annual average)

■ Cost in Rates ■ Cost of Lost Inventory



BP-20 Power Revenue (annual average)

■ Revenue

