

BPA NEWS

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BONNEVILLE POWER ADMINISTRATION
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High market prices and dry conditions drive second quarter financial results

Portland, Ore. – The Bonneville Power Administration today released its second official forecast of the expected financial performance for fiscal year 2024. Dry conditions and increased power purchases made during the January cold snap have resulted in agency net revenues of negative \$280 million, which is \$375 million below the financial performance target.

Power Services' net revenue forecast is negative \$285 million, which is \$385 million below agency targets. Higher power purchase expenses are the main driver. Transmission Services' net revenues are forecast to be \$1 million, which is \$5 million above target. Increased operating revenues were offset by higher operating expenses and cost pressures related to commercial activities.

“Record low generation combined with record market prices have made this a challenging year from a financial standpoint,” said Marcus Harris, BPA’s executive vice president and chief financial officer. “Despite these challenges, the financial measures we have put in place have positioned us to meet our reserves targets. Through these first two quarters, we continue to execute on all financial plan targets except for net revenue as a result of significant power purchase expense.”

Agency financial reserves for risk are forecast to be \$720 million at the end of the fiscal year, a decrease of \$567 million from the prior year. BPA forecasts ending the year with 97 days cash on hand, which exceeds BPA’s minimum threshold of 60 days.

BPA’s second quarter quarterly business review is available at <https://www.bpa.gov/about/finance/quarterly-business-review>.

About BPA

The Bonneville Power Administration, headquartered in Portland, Oregon, is a nonprofit federal power marketer that sells wholesale, carbon-free hydropower from 31 federal dams in the Columbia River Basin. It also markets the output of the region’s only nuclear plant. BPA delivers this power to more than 140 Northwest electric utilities, serving millions of consumers and businesses in Washington, Oregon, Idaho, western Montana and parts of California, Nevada, Utah and Wyoming. BPA also owns and operates more than 15,000 circuit miles of high-voltage power lines and 261 substations, and provides transmission service to more than 300 customers. In all, BPA provides nearly a third of the power generated in the Northwest. To mitigate the impacts of the federal dams, BPA implements a fish and wildlife program that includes working



with its partners to make the federal dams safer for fish passage. It also pursues cost-effective energy savings and operational solutions that help maintain safe, affordable, reliable electric power for the Northwest. www.bpa.gov

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