



Power Net Revenue Improvement Sounding Board

TROJAN DECOMMISSIONING

Tuesday, March 16, 2004



Trojan Decommissioning

- Goal:
 - Identify areas of cost savings/revenue enhancements toward the \$100 million FY 2004-2005 goal.
- Conclusion:
 - There is a forecasted \$10.8 million in savings from the August 28 workshop in the Trojan Decommissioning program.
 - Actual costs for decommissioning are close to the original forecast of \$12 million, but the use of cash shows up as a “credit” reducing costs.
 - This savings is due to:
 - Significant carry over of cash from EWEB that had been collected in FY 2002-2003 through net billing - \$7 million.
 - Use of cash from the Trojan Decommissioning Trust Fund - \$1.5 million.
 - Timing of decommissioning activities - \$1.5 million.



Trojan Decommissioning

Project: Non-Operating Generation - Trojan Decommissioning (\$ in millions)	FY01	FY02	FY03	FY04	FY05	FY06	FY01-03 Average	FY03-FY06 Average	FY04-FY06 Average	FY03-FY06 Average Above (or Below)	FY04-FY06 Average Above (or Below)
										FY01	FY01
August 2002 Forecast	\$ 2.6	\$ 0.6	\$ 13.4	\$ 11.2	\$ 7.1	\$ 2.8	\$ 5.5	\$ 8.6	\$ 7.0	\$ 6.0	\$ 4.5
<i>Growth Rate</i>		-76.7%	NA	-16.4%	-36.6%	-60.6%					
August 28, 2003 Rate Case Forecast	\$ 2.6	\$ 0.1	\$ 9.7	\$ 12.2	\$ 8.4	\$ 3.7	\$ 4.1	\$ 8.5	\$ 8.1	\$ 5.9	\$ 5.5
<i>Growth Rate</i>		-95.7%	NA	25.8%	-31.1%	-56.0%					
January 2004 Forecast	\$ 2.6	\$ 0.1	\$ 9.1	\$ 1.4	\$ 8.4	\$ 3.7	\$ 3.9	\$ 5.7	\$ 4.5	\$ 3.1	\$ 1.9
<i>Growth Rate</i>		-95.7%	NA	-84.6%	498.3%	-56.0%					
January 2004 Forecast Above (or Below) August 28, 2003 Rate Case Forecast	\$ -	\$ -	\$ (0.6)	\$ (10.8)	\$ -	\$ -	\$ (0.2)	\$ (2.8)	\$ (3.6)	\$ (2.8)	\$ (3.6)

Drivers of Change
FY03: Actuals v. Aug. 28, 2003 Forecast Spent less than forecast.
Drivers of Change
FY01-03 v. FY04-06: Actuals v. Nov. 2003 Forecast 1) The Trojan Decommissioning Trust Fund was used to fund Trojan O&M in FYs 01-04. The Fund will be depleted by the end of CY 2003 (25% hit BPA's FY 2004). 2) FYs 05-06 are based on PGE's Trojan Decommissioning Update of the Trojan Decommissioning Forecast and includes Long Term Operation of the ISFSI (05 & 06) and the remaining decommissioning work such as clean building demolition.
Drivers of Change
FY04-06: Aug. 28, 2003 Forecast v. Nov. 2003 Forecast There was no change between the August and November Forecasts. Amended budgets were not available until early December 2003.
Forecast Risk There is some risk that costs will increase in FY 2005 due to timing of decommissioning activities from FY 2004. We are in the process of updating our FY 2005-2006 forecasts. Actual work being completed is on schedule and consistent with prior forecasts.
Opportunities for Improvement EWEB has submitted an amended budget that will return approximately \$7.4M to Bonneville which decreases expenses in FY04. This decrease is primarily due to the excess working capital (funding) due to the timing of work at Trojan. The spent fuel was fully offloaded to the ISFSI in CY 2003. Decommissioning work will continue on the Auxiliary and Fuel buildings, equipment removal, surface decontamination, and the site Final Survey decontamination, and the site Final Survey scheduled to be completed in CY 2004. Beginning in CY 2005, the Trojan O&M budget will be for the long term operation of the ISFSI until DOE assumes possession of the spent fuel.