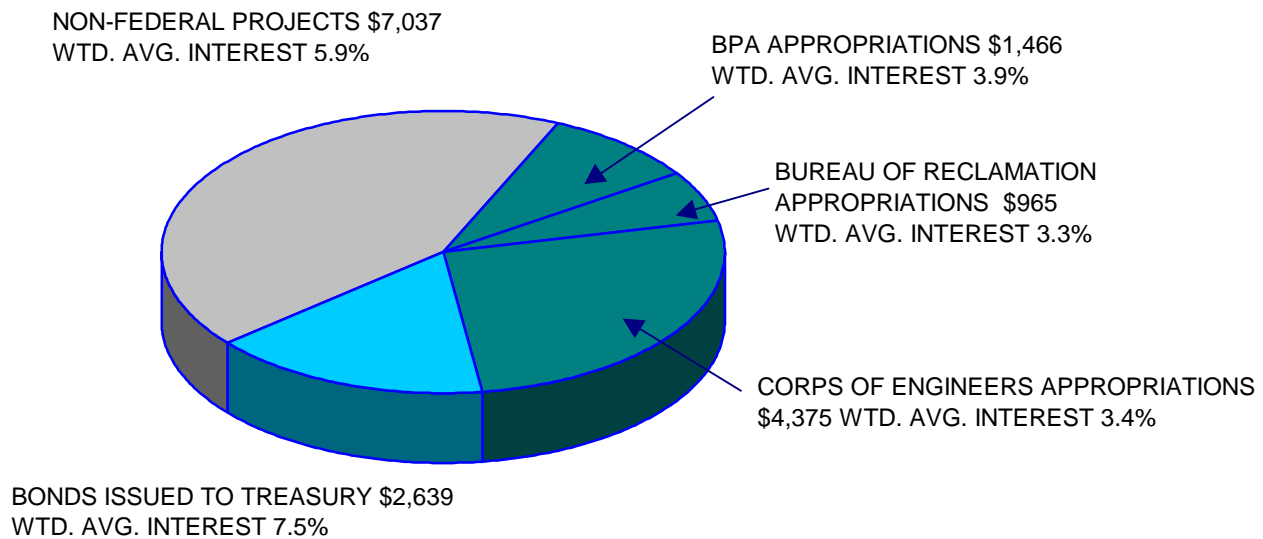


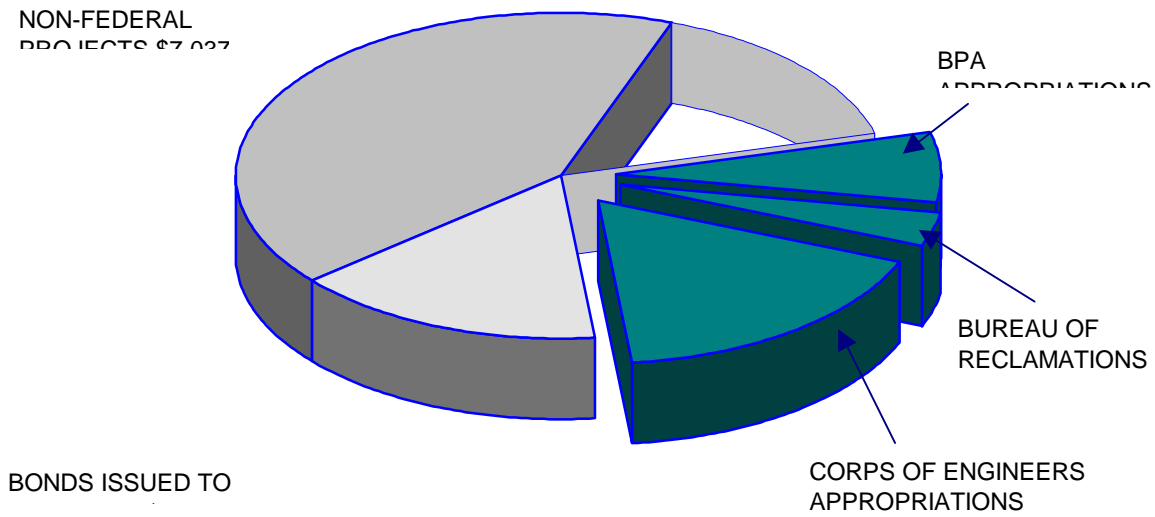
BEFORE REFINANCING TRANSACTION
PROJECTED FEDERAL COLUMBIA RIVER POWER SYSTEM DEBT
ENDING FY 1996
1996 FINAL RATE PROPOSAL
(\$ IN MILLIONS)



| | DEBT OUTSTANDING (\$ MILLIONS) | WTD. AVG. INTEREST RATE (%) |
|--------------------------------|--------------------------------------|-----------------------------------|
| TOTAL APPROPRIATIONS | \$6,807 | 3.5 |
| TOTAL BONDS ISSUED TO TREASURY | <u>2,639</u> | <u>7.5</u> |
| TOTAL FEDERAL DEBT | 9,446 | 4.6 |
| TOTAL NON-FEDERAL PROJECTS | <u>7,037</u> | <u>5.9</u> |
| TOTAL FCRPS DEBT | <u><u>\$16,483</u></u> | 5.3 |

Irrigation assistance is excluded.

**AFTER REFINANCING TRANSACTION
PROJECTED FEDERAL COLUMBIA RIVER POWER
SYSTEM DEBT
BPA APPROPRIATIONS REFINANCING ACT**



**Refinancing Example for an Albeni Falls Investment
An Appropriation Before FY 1995**
(\$ in Thousands)

| Before Refinancing | |
|---------------------------|--------|
| Outstanding Principal: | 23,198 |
| Interest Rate: | 0.025 |
| Start Date: | 1955 |
| Due Date: | 2005 |

| Inputs for Refinancing | |
|------------------------------------|-----------|
| Discount Rate/Interest Rate: | 0.0605 |
| Denominator for \$100M Proportion: | 6,801,177 |

| After Refinancing Results | |
|--|---------------|
| New Principal w/o \$100M Proportioned: | 17,609 |
| Add Proportion of \$100M: $(23,198/6,801,177)*100,000$ | 341 |
| New Principal With \$100M Proportioned: | 17,950 |
| New Interest Rate: | 0.0605 |

| Fiscal Year | Interest =.025*23,198 | Principal | Total | PV @ .0605 | Cumulative PV |
|-------------|--------------------------|-----------|--------|------------|---------------|
| 1997 | 580 | | 580 | 547 | 547 |
| 1998 | 580 | | 580 | 516 | 1,063 |
| 1999 | 580 | | 580 | 486 | 1,549 |
| 2000 | 580 | | 580 | 459 | 2,007 |
| 2001 | 580 | | 580 | 432 | 2,440 |
| 2002 | 580 | | 580 | 408 | 2,847 |
| 2003 | 580 | | 580 | 384 | 3,232 |
| 2004 | 580 | | 580 | 362 | 3,594 |
| 2005 | 580 | 23,198 | 23,778 | 14,015 | 17,609 |

**Refinancing Example for an Albeni Falls Investment
An Appropriation Between FY 1995 and FY 1996**
(\$ in Thousands)

DRAFT

| Before Refinancing | |
|---|---------|
| Outstanding Principal Before IDC Modifications: | 402 |
| Outstanding Principal Incl. IDC Modifications: | 399 |
| Interest Rate Before IDC Modifications: | 0.07250 |
| Interest Rate Incl. IDC Modifications: | 0.07452 |
| Start Date: | 1995 |
| Due Date: | 2045 |

| Inputs for Refinancing | |
|------------------------------------|-----------|
| Discount Rate/Interest Rate: | 0.0649 |
| Denominator for \$100M Proportion: | 6,801,177 |

| After Refinancing Results | |
|---|--------|
| New Principal w/o \$100M Proportioned: | 455 |
| Add Proportion of \$100M: $(399/6,801,177)*100,000$ | 6 |
| New Principal With \$100M Proportioned: | 461 |
| New Interest Rate: | 0.0649 |

| Fiscal Year | Interest = .07452 * 399 | Principal | Total | PV @ .0605 | Cumulative PV |
|-------------|----------------------------|-----------|-------|------------|---------------|
| 1997 | 30 | | 30 | 28 | 28 |
| 1998 | 30 | | 30 | 26 | 54 |
| 1999 | 30 | | 30 | 25 | 79 |
| 2000 | 30 | | 30 | 23 | 102 |
| 2001 | 30 | | 30 | 22 | 124 |
| 2002 | 30 | | 30 | 20 | 144 |
| 2003 | 30 | | 30 | 19 | 163 |
| 2004 | 30 | | 30 | 18 | 181 |
| 2005 | 30 | | 30 | 17 | 198 |
| 2006 | 30 | | 30 | 16 | 214 |
| 2007 | 30 | | 30 | 15 | 229 |
| 2008 | 30 | | 30 | 14 | 243 |
| 2009 | 30 | | 30 | 13 | 256 |
| 2010 | 30 | | 30 | 12 | 268 |
| 2011 | 30 | | 30 | 12 | 280 |
| 2012 | 30 | | 30 | 11 | 291 |
| 2013 | 30 | | 30 | 10 | 301 |
| 2014 | 30 | | 30 | 10 | 310 |
| 2015 | 30 | | 30 | 9 | 319 |
| 2016 | 30 | | 30 | 8 | 328 |
| 2017 | 30 | | 30 | 8 | 336 |
| 2018 | 30 | | 30 | 7 | 343 |
| 2019 | 30 | | 30 | 7 | 350 |
| 2020 | 30 | | 30 | 7 | 357 |
| 2021 | 30 | | 30 | 6 | 363 |
| 2022 | 30 | | 30 | 6 | 369 |
| 2023 | 30 | | 30 | 5 | 374 |
| 2024 | 30 | | 30 | 5 | 379 |
| 2025 | 30 | | 30 | 5 | 384 |
| 2026 | 30 | | 30 | 5 | 389 |
| 2027 | 30 | | 30 | 4 | 393 |
| 2028 | 30 | | 30 | 4 | 397 |
| 2029 | 30 | | 30 | 4 | 401 |
| 2030 | 30 | | 30 | 4 | 404 |
| 2031 | 30 | | 30 | 3 | 407 |
| 2032 | 30 | | 30 | 3 | 411 |
| 2033 | 30 | | 30 | 3 | 413 |
| 2034 | 30 | | 30 | 3 | 416 |
| 2035 | 30 | | 30 | 3 | 419 |
| 2036 | 30 | | 30 | 2 | 421 |
| 2037 | 30 | | 30 | 2 | 423 |
| 2038 | 30 | | 30 | 2 | 425 |
| 2039 | 30 | | 30 | 2 | 427 |
| 2040 | 30 | | 30 | 2 | 429 |
| 2041 | 30 | | 30 | 2 | 431 |
| 2042 | 30 | | 30 | 2 | 433 |
| 2043 | 30 | | 30 | 2 | 434 |
| 2044 | 30 | | 30 | 1 | 436 |
| 2045 | 30 | 399 | 429 | 20 | 455 |

IMPACT OF BPA APPROPRIATIONS REFINANCING ACT
CHANGE IN BPA DEBT SERVICE PAYMENTS TO TREASURY 1/
EXCLUDES IMPACT ON INTEREST CREDITS - BPA CASH RESERVES
TOTAL GENERATION AND TRANSMISSION
REVISED FY 2001 REPAYMENT STUDY, 1996 FINAL RATE PROPOSAL
(\$ MILLIONS)

| | FISCAL YEARS | | | | | | | | | |
|--|--------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | TOTAL |
| APPROPRIATIONS CAPITAL INVESTMENT REFINANCED UNDER THE ACT | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 35.7 | 42.0 | 23.3 | 81.1 | 36.9 | 28.3 | 84.0 | 112.1 | 443.4 |
| WITHOUT LEGISLATION | 3.2 | 37.2 | 45.1 | 59.4 | 104.0 | 54.2 | 49.6 | 106.2 | 128.4 | 587.3 |
| DIFFERENCE | (3.2) | (1.5) | (3.1) | (36.1) | (22.9) | (17.3) | (21.3) | (22.2) | (16.3) | (143.9) |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 293.1 | 293.2 | 291.2 | 288.9 | 287.6 | 283.0 | 280.9 | 279.2 | 274.1 | 2,571.1 |
| WITHOUT LEGISLATION | 235.9 | 235.6 | 234.4 | 233.0 | 231.2 | 219.8 | 209.7 | 208.3 | 205.4 | 2,013.3 |
| DIFFERENCE | 57.2 | 57.6 | 56.8 | 55.9 | 56.4 | 63.2 | 71.2 | 70.9 | 68.7 | 557.8 |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 293.1 | 328.9 | 333.2 | 312.2 | 368.7 | 319.9 | 309.2 | 363.2 | 386.2 | 3,014.5 |
| WITHOUT LEGISLATION | 239.1 | 272.8 | 279.5 | 292.4 | 335.2 | 274.0 | 259.3 | 314.5 | 333.8 | 2,600.6 |
| DIFFERENCE | 54.0 | 56.1 | 53.7 | 19.8 | 33.5 | 45.9 | 49.9 | 48.7 | 52.4 | 413.9 |
| APPROPRIATIONS CAPITAL INVESTMENT OCCURRING AFTER THE REFINANCING TRANSACTION | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| WITHOUT LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 4.8 | 14.6 | 21.2 | 24.5 | 36.9 | 47.6 | 50.5 | 56.2 | 61.1 | 317.4 |
| WITHOUT LEGISLATION | 5.6 | 17.4 | 25.6 | 29.4 | 44.1 | 65.5 | 77.0 | 83.0 | 88.0 | 435.6 |
| DIFFERENCE | (0.8) | (2.8) | (4.4) | (4.9) | (7.2) | (17.9) | (26.5) | (26.8) | (26.9) | (118.2) |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 4.8 | 14.6 | 21.2 | 24.5 | 36.9 | 47.6 | 50.5 | 56.2 | 61.1 | 317.4 |
| WITHOUT LEGISLATION | 5.6 | 17.4 | 25.6 | 29.4 | 44.1 | 65.5 | 77.0 | 83.0 | 88.0 | 435.6 |
| DIFFERENCE | (0.8) | (2.8) | (4.4) | (4.9) | (7.2) | (17.9) | (26.5) | (26.8) | (26.9) | (118.2) |
| BONDS ISSUED TO TREASURY | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 207.9 | 190.0 | 124.0 | 135.5 | 74.2 | 176.8 | 114.7 | 136.6 | 153.4 | 1,313.1 |
| WITHOUT LEGISLATION | 238.3 | 211.3 | 140.7 | 130.0 | 91.5 | 188.6 | 125.2 | 146.8 | 167.7 | 1,440.1 |
| DIFFERENCE | (30.4) | (21.3) | (16.7) | 5.5 | (17.3) | (11.8) | (10.5) | (10.2) | (14.3) | (127.1) |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 181.1 | 186.6 | 185.8 | 192.4 | 205.8 | 220.5 | 226.8 | 233.4 | 240.3 | 1,872.7 |
| WITHOUT LEGISLATION | 183.3 | 186.3 | 183.6 | 188.1 | 202.1 | 215.3 | 220.4 | 226.4 | 232.8 | 1,838.3 |
| DIFFERENCE | (2.2) | 0.3 | 2.2 | 4.3 | 3.7 | 5.2 | 6.4 | 7.0 | 7.5 | 34.4 |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 389.0 | 376.6 | 309.8 | 327.9 | 280.0 | 397.3 | 341.5 | 370.0 | 393.7 | 3,185.8 |
| WITHOUT LEGISLATION | 421.6 | 397.6 | 324.3 | 318.1 | 293.6 | 403.9 | 345.6 | 373.2 | 400.5 | 3,278.4 |
| DIFFERENCE | (32.6) | (21.0) | (14.5) | 9.8 | (13.6) | (6.6) | (4.1) | (3.2) | (6.8) | (92.7) |
| IRRIGATION ASSISTANCE | | | | | | | | | | |
| PRINCIPAL ONLY | | | | | | | | | | |
| WITH LEGISLATION | 25.1 | 0.0 | 0.0 | 0.0 | 10.1 | 0.0 | 0.0 | 0.8 | 0.0 | 36.0 |
| WITHOUT LEGISLATION | 25.1 | 0.0 | 0.0 | 0.0 | 10.1 | 0.0 | 0.0 | 0.8 | 0.0 | 36.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL PROJECTED DEBT SERVICE PAYMENTS TO TREASURY | | | | | | | | | | |
| WITH LEGISLATION | 711.9 | 720.0 | 664.2 | 664.6 | 695.7 | 764.8 | 701.2 | 790.2 | 841.0 | 6,553.7 |
| WITHOUT LEGISLATION | 691.4 | 687.8 | 629.4 | 639.9 | 683.0 | 743.4 | 681.9 | 771.5 | 822.3 | 6,350.6 |
| DIFFERENCE | 20.5 | 32.2 | 34.8 | 24.7 | 12.7 | 21.4 | 19.3 | 18.7 | 18.7 | 203.1 |

1/ Excludes AFUDC, interest credit on cash reserves, and Colville credits on BPA cash transfers to Treasury (Section 6 of the Act). Also excludes impact on interest credits due to changes in cashflows.

Revised 2001 repayment study for FYs 1997-2001, current 205 study for FYs 2002-2005.

IMPACT OF BPA APPROPRIATIONS REFINANCING ACT
CHANGE IN BPA DEBT SERVICE PAYMENTS TO TREASURY 1/
EXCLUDES IMPACT ON INTEREST CREDITS - BPA CASH RESERVES
GENERATION STUDY
REVISED FY 2001 REPAYMENT STUDY, 1996 FINAL RATE PROPOSAL
(\$ MILLIONS)

| | FISCAL YEARS | | | | | | | | | |
|--|--------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | TOTAL |
| APPROPRIATIONS CAPITAL INVESTMENT REFINANCED UNDER THE ACT | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 0.0 | 0.0 | 0.5 | 29.3 | 11.8 | 0.1 | 66.0 | 103.8 | 211.5 |
| WITHOUT LEGISLATION | 3.2 | 0.0 | 0.0 | 34.1 | 44.9 | 24.6 | 15.3 | 83.6 | 117.6 | 323.3 |
| DIFFERENCE | (3.2) | 0.0 | 0.0 | (33.6) | (15.6) | (12.8) | (15.2) | (17.6) | (13.8) | (111.8) |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 215.1 | 215.2 | 215.2 | 215.2 | 215.2 | 213.7 | 213.0 | 213.0 | 209.0 | 1,924.6 |
| WITHOUT LEGISLATION | 176.8 | 176.7 | 176.7 | 176.6 | 175.6 | 165.9 | 156.8 | 156.4 | 154.3 | 1,515.8 |
| DIFFERENCE | 38.3 | 38.5 | 38.5 | 38.6 | 39.6 | 47.8 | 56.2 | 56.6 | 54.7 | 408.8 |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 215.1 | 215.2 | 215.2 | 215.7 | 244.5 | 225.5 | 213.1 | 279.0 | 312.8 | 2,136.1 |
| WITHOUT LEGISLATION | 180.0 | 176.7 | 176.7 | 210.7 | 220.5 | 190.5 | 172.1 | 240.0 | 271.9 | 1,839.1 |
| DIFFERENCE | 35.1 | 38.5 | 38.5 | 5.0 | 24.0 | 35.0 | 41.0 | 39.0 | 40.9 | 297.0 |
| APPROPRIATIONS CAPITAL INVESTMENT OCCURRING AFTER THE REFINANCING TRANSACTION | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| WITHOUT LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 4.8 | 14.6 | 21.2 | 24.5 | 36.9 | 47.6 | 50.5 | 56.2 | 61.1 | 317.4 |
| WITHOUT LEGISLATION | 5.6 | 17.4 | 25.6 | 29.4 | 44.1 | 65.5 | 77.0 | 83.0 | 88.0 | 435.6 |
| DIFFERENCE | (0.8) | (2.8) | (4.4) | (4.9) | (7.2) | (17.9) | (26.5) | (26.8) | (26.9) | (118.2) |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 4.8 | 14.6 | 21.2 | 24.5 | 36.9 | 47.6 | 50.5 | 56.2 | 61.1 | 317.4 |
| WITHOUT LEGISLATION | 5.6 | 17.4 | 25.6 | 29.4 | 44.1 | 65.5 | 77.0 | 83.0 | 88.0 | 435.6 |
| DIFFERENCE | (0.8) | (2.8) | (4.4) | (4.9) | (7.2) | (17.9) | (26.5) | (26.8) | (26.9) | (118.2) |
| BONDS ISSUED TO TREASURY | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 94.9 | 98.0 | 27.7 | 24.1 | 0.1 | 66.0 | 0.0 | 1.7 | 0.0 | 312.5 |
| WITHOUT LEGISLATION | 103.2 | 109.5 | 41.3 | 5.8 | 0.0 | 66.0 | 0.0 | 0.0 | 0.0 | 325.8 |
| DIFFERENCE | (8.3) | (11.5) | (13.6) | 18.3 | 0.1 | 0.0 | 0.0 | 1.7 | 0.0 | (13.4) |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 52.4 | 57.4 | 55.8 | 61.8 | 66.2 | 72.9 | 77.5 | 81.0 | 85.4 | 610.4 |
| WITHOUT LEGISLATION | 53.2 | 58.2 | 55.9 | 59.8 | 66.0 | 72.7 | 77.2 | 80.7 | 85.2 | 608.9 |
| DIFFERENCE | (0.8) | (0.8) | (0.1) | 2.0 | 0.2 | 0.2 | 0.3 | 0.3 | 0.2 | 1.5 |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 147.3 | 155.4 | 83.5 | 85.9 | 66.3 | 138.9 | 77.5 | 82.7 | 85.4 | 922.9 |
| WITHOUT LEGISLATION | 156.4 | 167.7 | 97.2 | 65.6 | 66.0 | 138.7 | 77.2 | 80.7 | 85.2 | 934.7 |
| DIFFERENCE | (9.1) | (12.3) | (13.7) | 20.3 | 0.3 | 0.2 | 0.3 | 2.0 | 0.2 | (11.9) |
| IRRIGATION ASSISTANCE | | | | | | | | | | |
| PRINCIPAL ONLY | | | | | | | | | | |
| WITH LEGISLATION | 25.1 | 0.0 | 0.0 | 0.0 | 10.1 | 0.0 | 0.0 | 0.8 | 0.0 | 36.0 |
| WITHOUT LEGISLATION | 25.1 | 0.0 | 0.0 | 0.0 | 10.1 | 0.0 | 0.0 | 0.8 | 0.0 | 36.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL PROJECTED DEBT SERVICE PAYMENTS TO TREASURY | | | | | | | | | | |
| WITH LEGISLATION | 392.3 | 385.2 | 319.9 | 326.1 | 357.8 | 412.0 | 341.1 | 418.7 | 459.3 | 3,412.4 |
| WITHOUT LEGISLATION | 367.1 | 361.8 | 299.5 | 305.7 | 340.7 | 394.7 | 326.3 | 404.5 | 445.1 | 3,245.4 |
| DIFFERENCE | 25.2 | 23.4 | 20.4 | 20.4 | 17.1 | 17.3 | 14.8 | 14.2 | 14.2 | 167.0 |

1/ Excludes AFUDC, interest credit on cash reserves, and Colville credits on BPA cash transfers to Treasury (Section 6 of the Act). Also excludes impact on interest credits due to changes in cashflows.

Revised 2001 Study for FYs 1997-2001. Current 2005 study for FYs 2001-2005.

IMPACT OF BPA APPROPRIATIONS REFINANCING ACT
CHANGE IN BPA DEBT SERVICE PAYMENTS TO TREASURY 1/
EXCLUDES IMPACT ON INTEREST CREDITS - BPA CASH RESERVES
TRANSMISSION STUDY
REVISED FY 2001 REPAYMENT STUDY, 1996 FINAL RATE PROPOSAL
(\$ MILLIONS)

| | FISCAL YEARS | | | | | | | | | |
|--|--------------|-------|-------|--------|--------|--------|--------|--------|--------|---------|
| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | TOTAL |
| APPROPRIATIONS CAPITAL INVESTMENT REFINANCED UNDER THE ACT | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 35.7 | 42.0 | 22.8 | 51.8 | 25.1 | 28.2 | 18.0 | 8.3 | 231.9 |
| WITHOUT LEGISLATION | 0.0 | 37.2 | 45.1 | 25.3 | 59.1 | 29.6 | 34.3 | 22.6 | 10.8 | 264.0 |
| DIFFERENCE | 0.0 | (1.5) | (3.1) | (2.5) | (7.3) | (4.5) | (6.1) | (4.6) | (2.5) | (32.1) |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 78.0 | 78.0 | 76.0 | 73.7 | 72.4 | 69.3 | 67.9 | 66.2 | 65.1 | 646.5 |
| WITHOUT LEGISLATION | 59.1 | 58.9 | 57.7 | 56.4 | 55.6 | 53.9 | 52.9 | 51.9 | 51.1 | 497.5 |
| DIFFERENCE | 18.9 | 19.1 | 18.3 | 17.3 | 16.8 | 15.4 | 15.0 | 14.3 | 14.0 | 149.0 |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 78.0 | 113.7 | 118.0 | 96.5 | 124.2 | 94.4 | 96.1 | 84.2 | 73.4 | 878.4 |
| WITHOUT LEGISLATION | 59.1 | 96.1 | 102.8 | 81.7 | 114.7 | 83.5 | 87.2 | 74.5 | 61.9 | 761.5 |
| DIFFERENCE | 18.9 | 17.6 | 15.2 | 14.8 | 9.5 | 10.9 | 8.9 | 9.7 | 11.5 | 116.9 |
| APPROPRIATIONS CAPITAL INVESTMENT OCCURRING AFTER THE REFINANCING TRANSACTION | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| WITHOUT LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| WITHOUT LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| WITHOUT LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| BONDS ISSUED TO TREASURY | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 113.0 | 92.0 | 96.3 | 111.4 | 74.1 | 110.8 | 114.7 | 134.9 | 153.4 | 1,000.6 |
| WITHOUT LEGISLATION | 135.1 | 101.8 | 99.4 | 124.2 | 91.5 | 122.6 | 125.2 | 146.8 | 167.7 | 1,114.3 |
| DIFFERENCE | (22.1) | (9.8) | (3.1) | (12.8) | (17.4) | (11.8) | (10.5) | (11.9) | (14.3) | (113.7) |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 128.7 | 129.2 | 130.0 | 130.6 | 139.6 | 147.6 | 149.3 | 152.4 | 154.9 | 1,262.3 |
| WITHOUT LEGISLATION | 130.1 | 128.1 | 127.7 | 128.3 | 136.1 | 142.6 | 143.2 | 145.7 | 147.6 | 1,229.4 |
| DIFFERENCE | (1.4) | 1.1 | 2.3 | 2.3 | 3.5 | 5.0 | 6.1 | 6.7 | 7.3 | 32.9 |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 241.7 | 221.2 | 226.3 | 242.0 | 213.7 | 258.4 | 264.0 | 287.3 | 308.3 | 2,262.9 |
| WITHOUT LEGISLATION | 265.2 | 229.9 | 227.1 | 252.5 | 227.6 | 265.2 | 268.4 | 292.5 | 315.3 | 2,343.7 |
| DIFFERENCE | (23.5) | (8.7) | (0.8) | (10.5) | (13.9) | (6.8) | (4.4) | (5.2) | (7.0) | (80.8) |
| IRRIGATION ASSISTANCE | | | | | | | | | | |
| PRINCIPAL ONLY | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| WITHOUT LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL PROJECTED DEBT SERVICE PAYMENTS TO TREASURY | | | | | | | | | | |
| WITH LEGISLATION | 319.7 | 334.9 | 344.3 | 338.5 | 337.9 | 352.8 | 360.1 | 371.5 | 381.7 | 3,141.3 |
| WITHOUT LEGISLATION | 324.3 | 326.0 | 329.9 | 334.2 | 342.3 | 348.7 | 355.6 | 367.0 | 377.2 | 3,105.2 |
| DIFFERENCE | (4.6) | 8.9 | 14.4 | 4.3 | (4.4) | 4.1 | 4.5 | 4.5 | 4.5 | 36.1 |

1/ Excludes AFUDC, interest credit on cash reserves, and Colville credits on BPA cash transfers to Treasury (Section 6 of the Act). Also excludes impact on interest credits due to changes in cashflows.

Revised 2001 repayment study for FYs 1997-2001. Current 2005 study for FYs 2002-2005.

IMPACT OF BPA APPROPRIATIONS REFINANCING ACT
CHANGE IN BPA DEBT SERVICE PAYMENTS TO TREASURY 1/
TOTAL GENERATION AND TRANSMISSION
REVISED FY 2001 REPAYMENT STUDY, 1996 FINAL RATE PROPOSAL
(\$ MILLIONS)

| | FISCAL YEARS | | | | | | | | | |
|--|--------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | TOTAL |
| APPROPRIATIONS CAPITAL INVESTMENT REFINANCED UNDER THE ACT | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 35.7 | 42.0 | 23.3 | 81.1 | 36.9 | 28.3 | 84.0 | 112.1 | 443.4 |
| WITHOUT LEGISLATION | 3.2 | 37.2 | 45.1 | 59.4 | 104.0 | 54.2 | 49.6 | 106.2 | 128.4 | 587.3 |
| DIFFERENCE | (3.2) | (1.5) | (3.1) | (36.1) | (22.9) | (17.3) | (21.3) | (22.2) | (16.3) | (143.9) |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 293.1 | 293.2 | 291.2 | 288.9 | 287.6 | 283.0 | 280.9 | 279.2 | 274.1 | 2,571.1 |
| WITHOUT LEGISLATION | 235.9 | 235.6 | 234.4 | 233.0 | 231.2 | 219.8 | 209.7 | 208.3 | 205.4 | 2,013.3 |
| DIFFERENCE | 57.2 | 57.6 | 56.8 | 55.9 | 56.4 | 63.2 | 71.2 | 70.9 | 68.7 | 557.8 |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 293.1 | 328.9 | 333.2 | 312.2 | 368.7 | 319.9 | 309.2 | 363.2 | 386.2 | 3,014.5 |
| WITHOUT LEGISLATION | 239.1 | 272.8 | 279.5 | 292.4 | 335.2 | 274.0 | 259.3 | 314.5 | 333.8 | 2,600.6 |
| DIFFERENCE | 54.0 | 56.1 | 53.7 | 19.8 | 33.5 | 45.9 | 49.9 | 48.7 | 52.4 | 413.9 |
| APPROPRIATIONS CAPITAL INVESTMENT OCCURRING AFTER THE REFINANCING TRANSACTION | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| WITHOUT LEGISLATION | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 4.8 | 14.6 | 21.2 | 24.5 | 36.9 | 47.6 | 50.5 | 56.2 | 61.1 | 317.4 |
| WITHOUT LEGISLATION | 5.6 | 17.4 | 25.6 | 29.4 | 44.1 | 65.5 | 77.0 | 83.0 | 88.0 | 435.6 |
| DIFFERENCE | (0.8) | (2.8) | (4.4) | (4.9) | (7.2) | (17.9) | (26.5) | (26.8) | (26.9) | (118.2) |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 4.8 | 14.6 | 21.2 | 24.5 | 36.9 | 47.6 | 50.5 | 56.2 | 61.1 | 317.4 |
| WITHOUT LEGISLATION | 5.6 | 17.4 | 25.6 | 29.4 | 44.1 | 65.5 | 77.0 | 83.0 | 88.0 | 435.6 |
| DIFFERENCE | (0.8) | (2.8) | (4.4) | (4.9) | (7.2) | (17.9) | (26.5) | (26.8) | (26.9) | (118.2) |
| BONDS ISSUED TO TREASURY | | | | | | | | | | |
| PRINCIPAL | | | | | | | | | | |
| WITH LEGISLATION | 207.9 | 190.0 | 124.0 | 135.5 | 74.2 | 176.8 | 114.7 | 136.6 | 153.4 | 1,313.1 |
| WITHOUT LEGISLATION | 238.3 | 211.3 | 140.7 | 130.0 | 91.5 | 188.6 | 125.2 | 146.8 | 167.7 | 1,440.1 |
| DIFFERENCE | (30.4) | (21.3) | (16.7) | 5.5 | (17.3) | (11.8) | (10.5) | (10.2) | (14.3) | (127.1) |
| INTEREST | | | | | | | | | | |
| WITH LEGISLATION | 156.7 | 159.6 | 155.7 | 157.8 | 156.3 | 164.4 | 162.7 | 160.6 | 162.3 | 1,436.1 |
| WITHOUT LEGISLATION | 157.1 | 155.2 | 145.0 | 139.6 | 143.4 | 148.6 | 144.7 | 141.2 | 141.5 | 1,316.3 |
| DIFFERENCE | (0.4) | 4.4 | 10.7 | 18.2 | 12.9 | 15.8 | 18.0 | 19.4 | 20.8 | 119.8 |
| TOTAL | | | | | | | | | | |
| WITH LEGISLATION | 364.6 | 349.6 | 279.7 | 293.3 | 230.5 | 341.2 | 277.4 | 297.2 | 315.7 | 2,749.2 |
| WITHOUT LEGISLATION | 395.4 | 366.5 | 285.7 | 269.6 | 234.9 | 337.2 | 269.9 | 288.0 | 309.2 | 2,756.4 |
| DIFFERENCE | (30.8) | (16.9) | (6.0) | 23.7 | (4.4) | 4.0 | 7.5 | 9.2 | 6.5 | (7.2) |
| IRRIGATION ASSISTANCE | | | | | | | | | | |
| PRINCIPAL ONLY | | | | | | | | | | |
| WITH LEGISLATION | 25.1 | 0.0 | 0.0 | 0.0 | 10.1 | 0.0 | 0.0 | 0.8 | 0.0 | 36.0 |
| WITHOUT LEGISLATION | 25.1 | 0.0 | 0.0 | 0.0 | 10.1 | 0.0 | 0.0 | 0.8 | 0.0 | 36.0 |
| DIFFERENCE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL PROJECTED DEBT SERVICE PAYMENTS TO TREASURY | | | | | | | | | | |
| WITH LEGISLATION | 687.5 | 693.0 | 634.1 | 630.0 | 646.2 | 708.7 | 637.1 | 717.4 | 763.0 | 6,117.1 |
| WITHOUT LEGISLATION | 665.2 | 656.7 | 590.8 | 591.4 | 624.3 | 676.7 | 606.2 | 686.3 | 731.0 | 5,828.6 |
| DIFFERENCE | 22.3 | 36.3 | 43.3 | 38.6 | 21.9 | 32.0 | 30.9 | 31.1 | 32.0 | 288.5 |

1/ Excludes AFUDC, interest credit on cash reserves, and Colville credits on BPA cash transfers to Treasury (Section 6 of the Act). Includes impact on interest credits due to changes in cashflows.

Revised 2001 repayment study for FYs 1997-2001, current 2005 study for FYs 2002-2005.

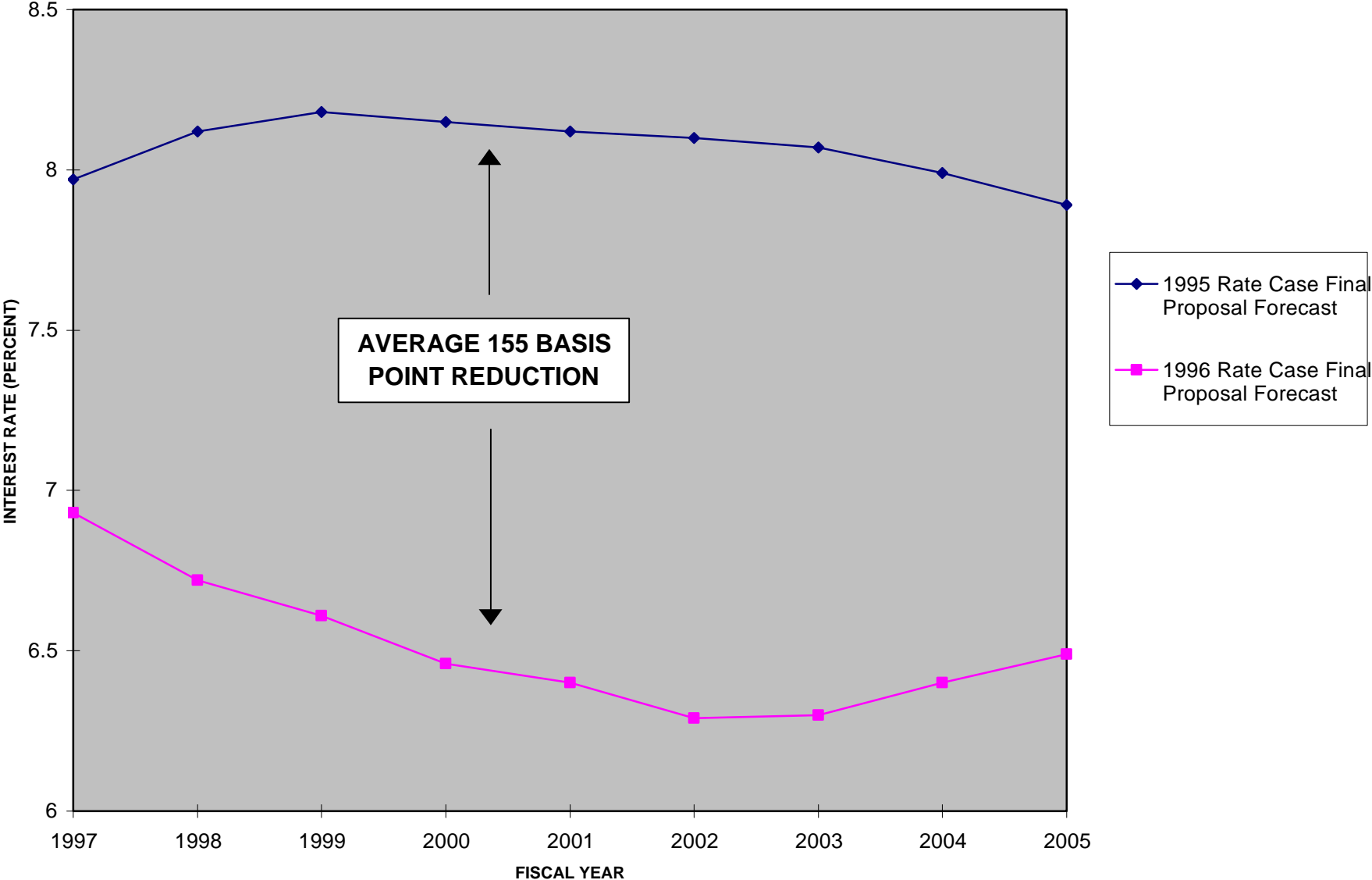
**BPA Appropriations Refinancing Act
Comparison of Yield Curve forecasts for Refinancing Transaction
(Used in determining New Principal amounts and assigning
interest rates to New Principal Amounts)**

| Fiscal Year | Yield Curve used in 1994 ^{1/} | Current Estimated Yield Curve ^{2/} | Difference |
|--------------------|---|--|-------------------|
| 1996 | 4.074% | | -4.074% |
| 1997 | 4.773% | 5.330% | 0.557% |
| 1998 | 5.131% | 5.450% | 0.319% |
| 1999 | 5.447% | 5.580% | 0.133% |
| 2000 | 5.737% | 5.690% | -0.047% |
| 2001 | 5.965% | 5.810% | -0.155% |
| 2002 | 6.099% | 5.880% | -0.219% |
| 2003 | 6.177% | 5.950% | -0.227% |
| 2004 | 6.249% | 6.000% | -0.249% |
| 2005 | 6.318% | 6.050% | -0.268% |
| 2006 | 6.384% | 6.110% | -0.274% |
| 2007 | 6.451% | 6.130% | -0.321% |
| 2008 | 6.518% | 6.150% | -0.368% |
| 2009 | 6.584% | 5.160% | -1.424% |
| 2010 | 6.649% | 6.180% | -0.469% |
| 2011 | 6.713% | 6.200% | -0.513% |
| 2012 | 6.776% | 6.220% | -0.556% |
| 2013 | 6.837% | 6.240% | -0.597% |
| 2014 | 6.895% | 6.260% | -0.635% |
| 2015 | 6.936% | 6.280% | -0.656% |
| 2016 | 6.950% | 6.300% | -0.650% |
| 2017 | 6.946% | 6.320% | -0.626% |
| 2018 | 6.937% | 6.340% | -0.597% |
| 2019 | 6.925% | 6.360% | -0.565% |
| 2020 | 6.910% | 6.380% | -0.530% |
| 2021 | 6.895% | 6.390% | -0.505% |
| 2022 | 6.881% | 6.410% | -0.471% |
| 2023 | 6.869% | 6.430% | -0.439% |
| 2024 | 6.861% | 6.450% | -0.411% |
| 2025 | 6.860% | 6.470% | -0.390% |
| 2026 | 6.860% | 6.490% | -0.370% |
| 2027 | 6.860% | 6.490% | -0.370% |
| 2028 | 6.860% | 6.490% | -0.370% |
| 2029 | 6.860% | 6.490% | -0.370% |
| 2030 | 6.860% | 6.490% | -0.370% |
| 2031 | 6.860% | 6.490% | -0.370% |
| 2032 | 6.860% | 6.490% | -0.370% |
| 2033 | 6.860% | 6.490% | -0.370% |
| 2034 | 6.860% | 6.490% | -0.370% |
| 2035 | 6.860% | 6.490% | -0.370% |
| 2036 | 6.860% | 6.490% | -0.370% |
| 2037 | 6.860% | 6.490% | -0.370% |
| 2038 | 6.860% | 6.490% | -0.370% |
| 2039 | 6.860% | 6.490% | -0.370% |
| 2040 | 6.860% | 6.490% | -0.370% |
| 2041 | 6.860% | 6.490% | -0.370% |
| 2042 | 6.860% | 6.490% | -0.370% |
| 2043 | 6.860% | 6.490% | -0.370% |
| 2044 | 6.860% | 6.490% | -0.370% |
| 2045 | | 6.490% | 6.490% |
| 2046 | | 6.490% | 6.490% |
| 2047 | | 6.490% | 6.490% |

^{1/} Represents yield curves used in 1994 analyses in developing BPA Appropriations Refinancing Act when it was submitted to, reviewed, and eventually passed by Congress.

^{2/} Updated yield curve (WEFA, 4th quarter, 1995) used in repayment studies for 1996 Final Rate Proposal.

**CHANGE IN INTEREST RATE FORECASTS USED IN
1995 AND 1996 RATE CASE FINAL PROPOSALS 1/**

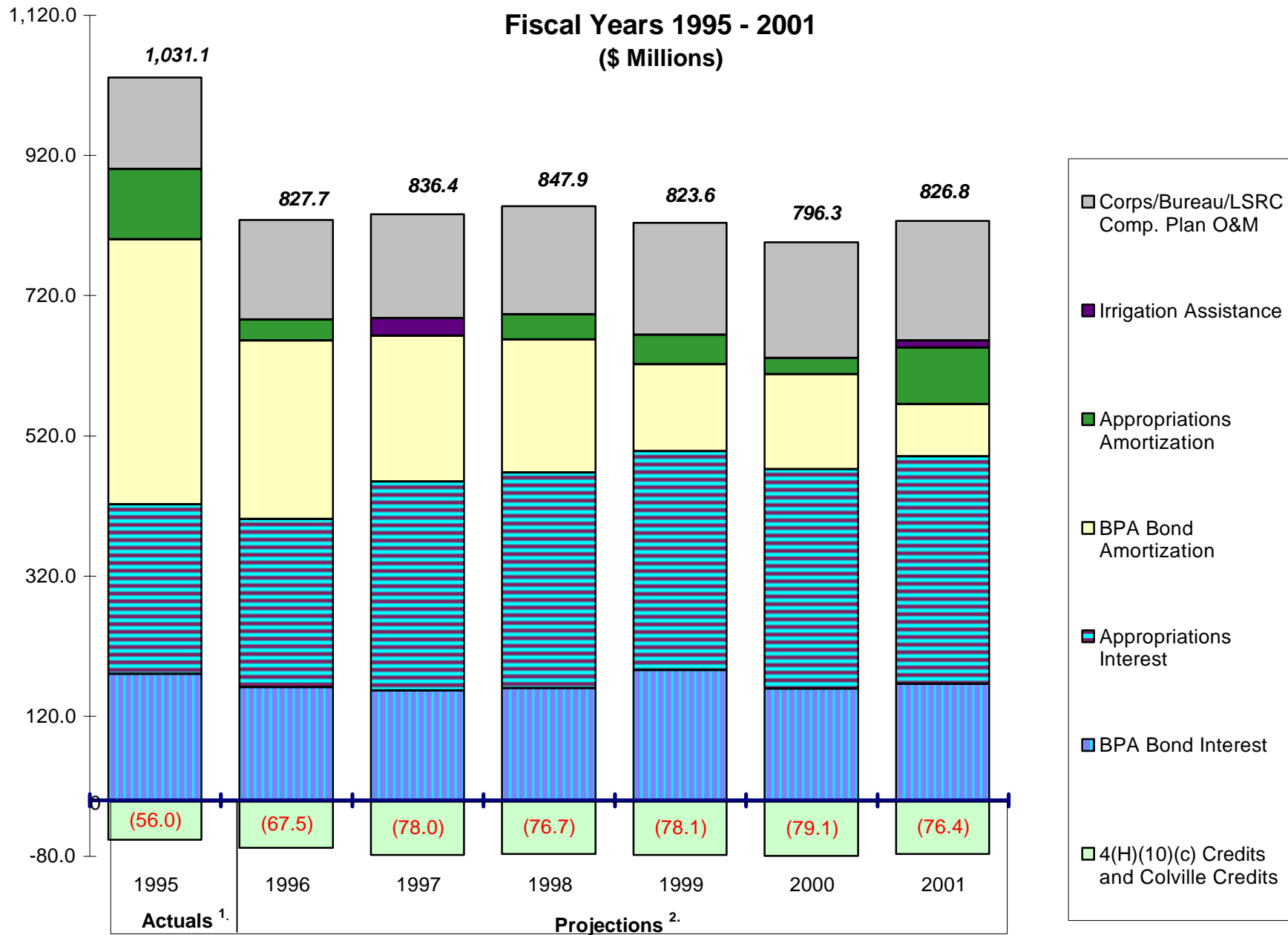


Long-term Treasury Yields, using 75 basis point markup

int comp - data

| | | 1995 Rate Case Final Proposal Forecast | 1996 Rate Case Final Proposal Forecast | |
|--|------|---|---|----------|
| | 1997 | 7.97 | 6.93 | -1.04 |
| | 1998 | 8.12 | 6.72 | -1.4 |
| | 1999 | 8.18 | 6.61 | -1.57 |
| | 2000 | 8.15 | 6.46 | -1.69 |
| | 2001 | 8.12 | 6.4 | -1.72 |
| | 2002 | 8.1 | 6.29 | -1.81 |
| | 2003 | 8.07 | 6.3 | -1.77 |
| | 2004 | 7.99 | 6.4 | -1.59 |
| | 2005 | 7.89 | 6.49 | -1.4 |
| | | | | -13.99 |
| | | | | -1.55444 |

**PROJECTED BPA PAYMENTS TO TREASURY
1996 FINAL RATE PROPOSAL
Fiscal Years 1995 - 2001
(\$ Millions)**



1. FY 96 is consistent with FY 96 Second Quarter Review. FYs 1997-2001 are consistent with BPA's 1996 final rate proposals.
2. FY 95 includes \$156 million advanced amortization of bonds using proceeds from sale of AC Intertie capacity.

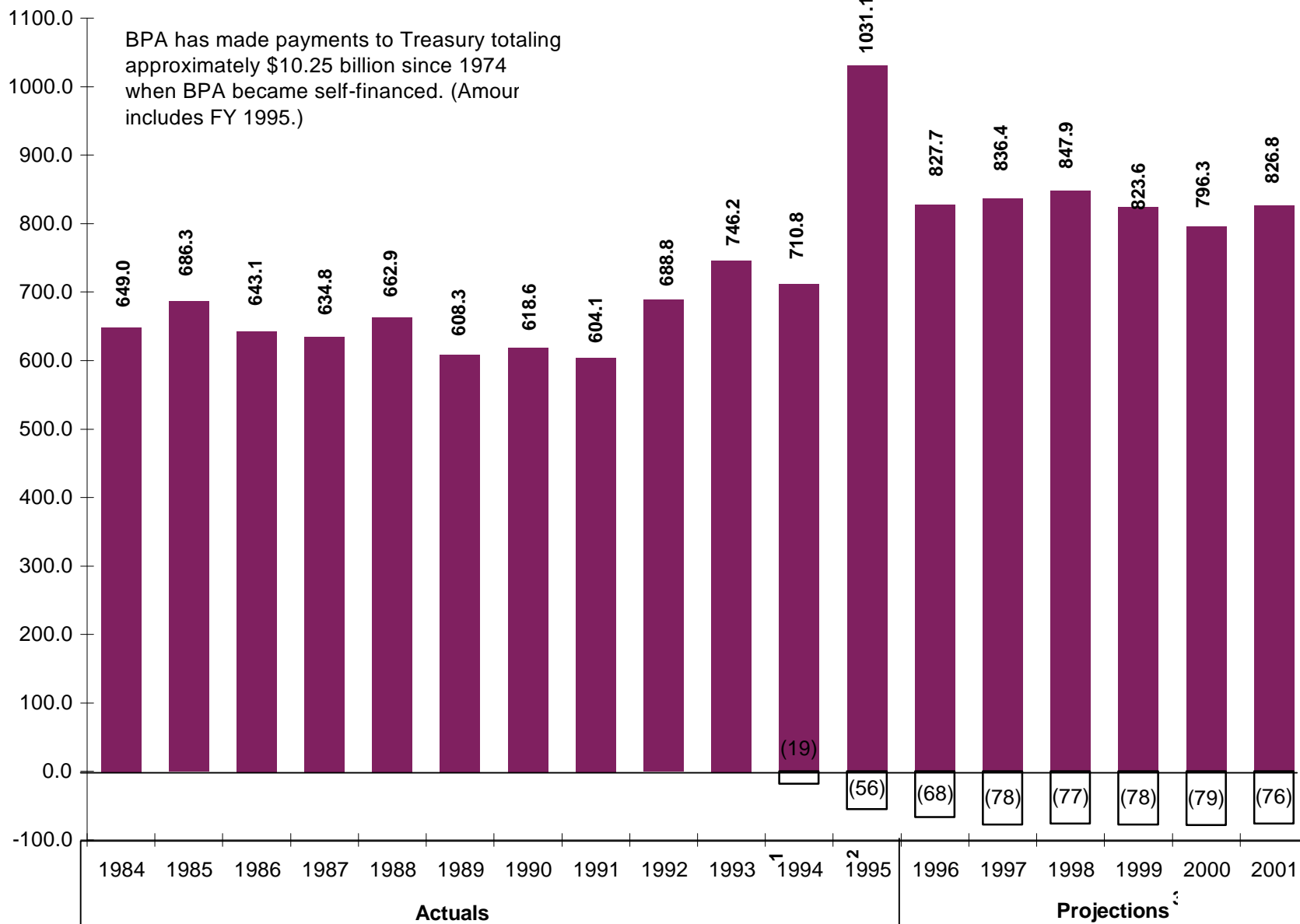
Projected Payments to Treasury
1996 Final Rate Proposal
(\$ Millions)

| | 1995 ¹ | 1996 ² | 1997 | 1998 | 1999 | 2000 | 2001 | Total |
|---|-------------------|-------------------|--------------|--------------|--------------|--------------|--------------|----------------|
| BPA Bond Interest | 180.2 | 161.1 | 156.7 | 159.7 | 185.5 | 158.9 | 166.3 | 1,168.4 |
| Appropriations Interest | 241.6 | 240.0 | 297.8 | 307.7 | 312.4 | 313.4 | 324.4 | 2,037.3 |
| BPA Bond Amortization | 378.1 | 255.0 | 207.8 | 190.0 | 123.9 | 135.5 | 74.2 | 1,364.5 |
| Appropriations Amortization | 100.3 | 29.9 | 0.0 | 35.7 | 42.0 | 23.3 | 81.0 | 312.2 |
| Irrigation Assistance | 0.0 | 0.0 | 25.1 | 0.0 | 0.0 | 0.0 | 10.1 | 35.2 |
| Corps/Bureau/LSRC Comp. Plan O&M | 130.9 | 141.7 | 149.0 | 154.8 | 159.8 | 165.2 | 170.8 | 1,072.2 |
| Total Payment Amount Owed | 1,031.1 | 827.7 | 836.4 | 847.9 | 823.6 | 796.3 | 826.8 | 5,989.8 |
| Credits - source of cash to meet payments: 4(H)(10)(c) Credits and Colville Credits (Appropriations Refinancing Act) | -56.0 | -67.5 | -78.0 | -76.7 | -78.1 | -79.1 | -76.4 | -511.8 |
| Net Amount Paid | 975.1 | 760.2 | 758.4 | 771.2 | 745.5 | 717.2 | 750.4 | 5,478.0 |

1 Per 1995 Annual Report income statement and statement of cash flow.

2 Per FY 1996 Second Quarter Review.

BPA PAYMENTS TO TREASURY
Fiscal Years 1984 - 2001
(\$ Millions)



1. 4 (H)(10)(c) credits are included in FY 1994 - 2001.

2 FY 1995 includes \$156 million advanced amortization payment using proceeds from sale of AC Intertie capacity.

3 Projections for FYs 1997-2001 are from the 1996 Final Rate Proposal, and include the 4(H)(10)(c) credits and the impact of BPA Appropriations Refinancing Act including Colville Settlement credit

treas pmt -84-2001 - data

| | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|
| | 649.0 | 686.3 | 643.1 | 634.8 | 662.9 | 608.3 | 618.6 | 604.1 | 688.8 | 746.2 | 710.8 | 1031.1 | 827.7 | 836.4 | 847.9 | 823.6 | 796.3 | 826.8 |
| | | | | | | | | | | (19) | (56) | (68) | (78) | (77) | (78) | (79) | (79) | (76) |