

Forecast Of Future LB CRAC %, Slice and non-Slice Rate Increases

12/12/2002

| | CRAC5 | CRAC6 | CRAC7 | CRAC8 | CRAC9 | CRAC10 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | <u>Oct-03</u> | <u>Apr-04</u> | <u>Oct-04</u> | <u>Apr-05</u> | <u>Oct-05</u> | <u>Apr-06</u> |
| | to | to | to | to | to | to |
| | <u>Mar-04</u> | <u>Sep-04</u> | <u>Mar-05</u> | <u>Sep-05</u> | <u>Mar-06</u> | <u>Sep-06</u> |
| | <u>FY04</u> | <u>FY04</u> | <u>FY05</u> | <u>FY05</u> | <u>FY06</u> | <u>FY06</u> |
| Increased Revenue Required (LB CRAC%) | 29% | 35% | 29% | 34% | 29% | 34% |
| Increase in Slice Rate | 28% | 34% | 28% | 33% | 29% | 33% |
| Increase in non-Slice Rate | 28% | 33% | 28% | 32% | 28% | 32% |
| Forecast of DSI Load to Serve (aMW) | 350 | 350 | 350 | 350 | 350 | 350 |
| Forecast of 6-mo. avg. Spot Market Price | \$38 | \$31 | \$39 | \$32 | \$39 | \$32 |

- These numbers are only a forecast to assist your planning. *These estimates will change*, as input values change over time.
BPA does not intend to engage in extensive discussions regarding changes in forecasts from earlier forecasts. These numbers are being provided in response to request for planning and these numbers are provided in that spirit.
Estimates current as of 12/12/2002.
- \$50M is assumed to be deferred for FY03 only. Since the LB CRAC numbers will vary from those in this table, we did not spread this deferred \$50M over the remaining rate periods. However, this calculation will occur when setting actual LB CRACs should the deferral end.
- In June '02, BPA provided analysis of how CRAC3 and the average of FY04-06 could change with various combinations of DSI load and market prices. While that analysis used the input values current at that time, and those values are now out-of-date, that analysis does provide some guidance about the relationship between market prices, DSI load, and the resulting average LB CRAC for FY03 and the period FY04-06.

Bonneville Power Administration, Power Business Line