

# BPA NEWS

PR 02 23

BONNEVILLE POWER ADMINISTRATION  
FOR IMMEDIATE RELEASE Tuesday, Feb. 14, 2023  
CONTACT: Nick Quinata, BPA, 360-982-9205  
or 503-230-5131

## **BPA releases 2023 first quarter results**

Portland, Ore. – The Bonneville Power Administration expects to end fiscal year 2023 in a strong financial position despite the impacts of dry conditions and high market prices. BPA’s first quarter forecast for above-target net revenues is largely driven by Transmission sales.

“BPA is in a healthy position from a financial reserves perspective,” said BPA Administrator and CEO John Hairston. “While we are facing the impacts of higher costs in some parts of the business, we have strong cost-management discipline and will remain focused on managing these expenses as we go through the year.”

BPA’s current net revenues forecast is negative \$215 million, which is \$80 million above the performance target. This year’s negative net revenues target accounts for the Reserves Distribution Clause rate reduction to customers, which reduced revenues relative to the rate case. It also reflects expense increases for budget carry-over from the prior year and inflationary pressure from personnel costs.

Power Services expects to end the year with negative net revenues of \$288 million, which is \$4 million below the performance target. This is mainly due to higher power purchase expenses as well as personnel costs and enterprise service costs. Transmission Services expects to end the year with net revenues of \$73 million. This is \$84 million above projections and attributed primarily to higher point-to-point long-term sales.

BPA forecasts controllable end-of-year expenses will be \$10 million above target due to higher-than-expected maintenance expenses, software licensing and fleet costs.

The first quarter forecast for end-of-year reserves for risk shows Power Services at \$733 million, Transmission Services at \$286 million and the agency at \$1.01 billion. Both



business lines are forecast to be above the upper threshold for the Reserves Distribution Clause; however, with three quarters of the year remaining and significant volatility in play, BPA is taking a cautious approach when viewing the end-of-year point estimates.

BPA's full first quarterly business review is available at the [link](#).

### **About BPA**

*The Bonneville Power Administration, headquartered in Portland, Oregon, is a nonprofit federal power marketer in the U.S. Department of Energy 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](http://www.bpa.gov)*

###

