



Sierra Nevada Region



Power Revenue Requirement (PRR) Forecasted FY11 through FY14

	FY11 PRR		FY12 PRR		FY13 PRR		FY14 PRR	
	Expenses	Revenues	Expenses	Revenues	Expenses	Revenues	Expenses	Revenues
O&M Expense: /1								
Reclamation	\$39,505,004		\$38,660,704		\$41,651,310		\$41,283,574	
Western	\$56,198,135		\$58,081,072		\$60,043,380		\$62,099,728	
Total O&M Expense	\$95,703,139		\$96,741,776		\$101,694,690		\$103,383,302	
Purchase Power Expense:								
Custom Product and Supplemental Power /6	\$259,996,727	\$259,996,727	\$272,996,563	\$272,996,563	\$286,646,391	\$286,646,391	\$300,978,711	\$300,978,711
HBA Costs /2	\$2,088,914		\$2,151,582		\$2,216,129		\$2,282,613	
Purchases for Project Use customers /7	\$4,516,488		\$4,282,329		\$4,592,338		\$4,871,575	
Washoe Cost for BR	\$255,000		\$255,000		\$255,000		\$225,000	
Total Purchase Power Expense/Revenue	\$266,857,128	\$259,996,727	\$279,685,473	\$272,996,563	\$293,709,858	\$286,646,391	\$308,357,899	\$300,978,711
Interest Expense: /3								
Total Interest Expense	\$7,530,615		\$7,552,155		\$11,577,808		\$11,891,791	
Other Expenses: /8								
Total Other Expenses	\$3,717,695		\$3,829,226		\$3,944,103		\$4,062,426	
Project Repayment (Expense): /4								
Total Project Repayment	\$12,500,000		\$13,000,000		\$14,500,000		\$14,500,000	
Other Pass-through Expenses & Revenues:								
CAISO Market & GMC Charges for 2207A (WSLW)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CAISO Expenses & Revenues /9	\$20,552,783	\$18,982,242	\$20,552,783	\$18,982,242	\$20,552,783	\$18,982,242	\$20,552,783	\$18,982,242
PG&E costs incurred for Wheeling	\$8,930,075	\$8,447,033	\$8,930,075	\$8,447,033	\$8,930,075	\$8,447,033	\$8,930,075	\$8,447,033
PATH 15 revenues and expenses	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Purchases and Sales for SBA /10	\$15,836,254	\$14,336,254	\$15,836,254	\$14,336,254	\$15,836,254	\$14,336,254	\$15,836,254	\$14,336,254
Resource Adequacy /11	\$659,468	\$550,627	\$679,252	\$567,146	\$699,629	\$584,161	\$720,618	\$601,685
Total Other Pass-through Expense/Revenue	\$45,990,580	\$42,328,155	\$46,010,364	\$42,344,674	\$46,030,741	\$42,361,689	\$46,051,730	\$42,379,213
Other Revenues:								
Non-firm energy sales		\$0		\$0		\$0		\$0
Miscellaneous Revenues /12		\$25,376,665		\$26,552,657		\$34,878,008		\$36,417,327
SC, PM, and VRC Admin Fees		\$1,848,545		\$1,910,481		\$1,975,028		\$2,042,668
Revenue from Ancillary Service Sales to IOA SBA Members		\$3,304,711		\$3,304,711		\$3,304,711		\$3,304,711
Total Other Revenues		\$30,529,921		\$31,767,849		\$40,157,747		\$41,764,706
Project Use Revenues: /13								
Total Project Use Revenues		\$20,200,000		\$20,600,000		\$21,200,000		\$21,200,000
Transmission Revenues: /5								
Total Transmission Revenues		\$0		\$0		\$0		\$0
Total Expenses & Revenues	\$432,299,157	\$353,054,803	\$446,818,994	\$367,709,086	\$471,457,200	\$390,365,827	\$488,247,148	\$406,322,630
Power Revenue Requirement Summary:	Estimated FY11		Estimated FY12		Estimated FY13		Estimated FY14	
Total Expenses	\$419,799,157		\$433,818,994		\$456,957,200		\$473,747,148	
add: Project Repayment	\$12,500,000		\$13,000,000		\$14,500,000		\$14,500,000	
	\$432,299,157		\$446,818,994		\$471,457,200		\$488,247,148	
less: Total Revenues	(\$353,054,803)		(\$367,709,086)		(\$390,365,827)		(\$406,322,630)	
Estimated Power Revenue Requirement	\$79,244,354		\$79,109,908		\$81,091,373		\$81,924,518	

NOTES: TO BE UPDATED

- /1 Western's O&M is based on revised Spend Plan O&M data. Reclamation's O&M is based on data received in Sep 2009. Both agencies' budgets are adjusted for unfunded CSRS.
- /2 Estimated Host Balancing Authority costs (HBA) associated with Western operating a Sub-balancing Authority Area (SBA). 2009 HBA costs are based on data provided by SMUD. Western has estimated a three percent increase per year for these costs in FY 11, 12, 13 & 14.
- /3 Interest Expense has increased due to plant update (1998 thru 2007, 2008) and future plant additions anticipated in FY11.
- /4 Capital repayment includes projections, which factor in Western's plant update (1998 thru 2007, 2008), and intends to update these numbers during the upcoming rate case.
- /5 Transmission Revenues are included under Miscellaneous Revenues.
- /6 Estimates for Custom Product and Supplemental purchase power costs and revenues (pass-throughs) are based on FY10 budget data.
- /7 Estimated purchase power costs to meet Project Use and First Preference loads are based on actual purchase costs and projections for the outyears.
- /8 Based on FY10 estimated and actual FY09 information and increased by 3%. This cost category includes such items as: Trinity Assessment, Path Operator costs, Western's share of the 27MW leases on COTP.
- /9 Based on actual and estimated data for FY10. The difference between revenues and expenses is generally CAISO costs associated with transactions to balance CVP generation on a daily and hourly basis.
- /10 Purchases and sales of power to support the SBA.
- /11 Projected costs associated with Resource Adequacy (RA) purchases are based on estimated data. A three percent escalation is used for FY 11-14.
- /12 Please note that transmission revenues are included as a subset of miscellaneous revenues in compliance with Western's Standards of Conduct policies.
- /13 Project Use Revenues are based on the most recent forecasted information.

As of Oct 13, 2009