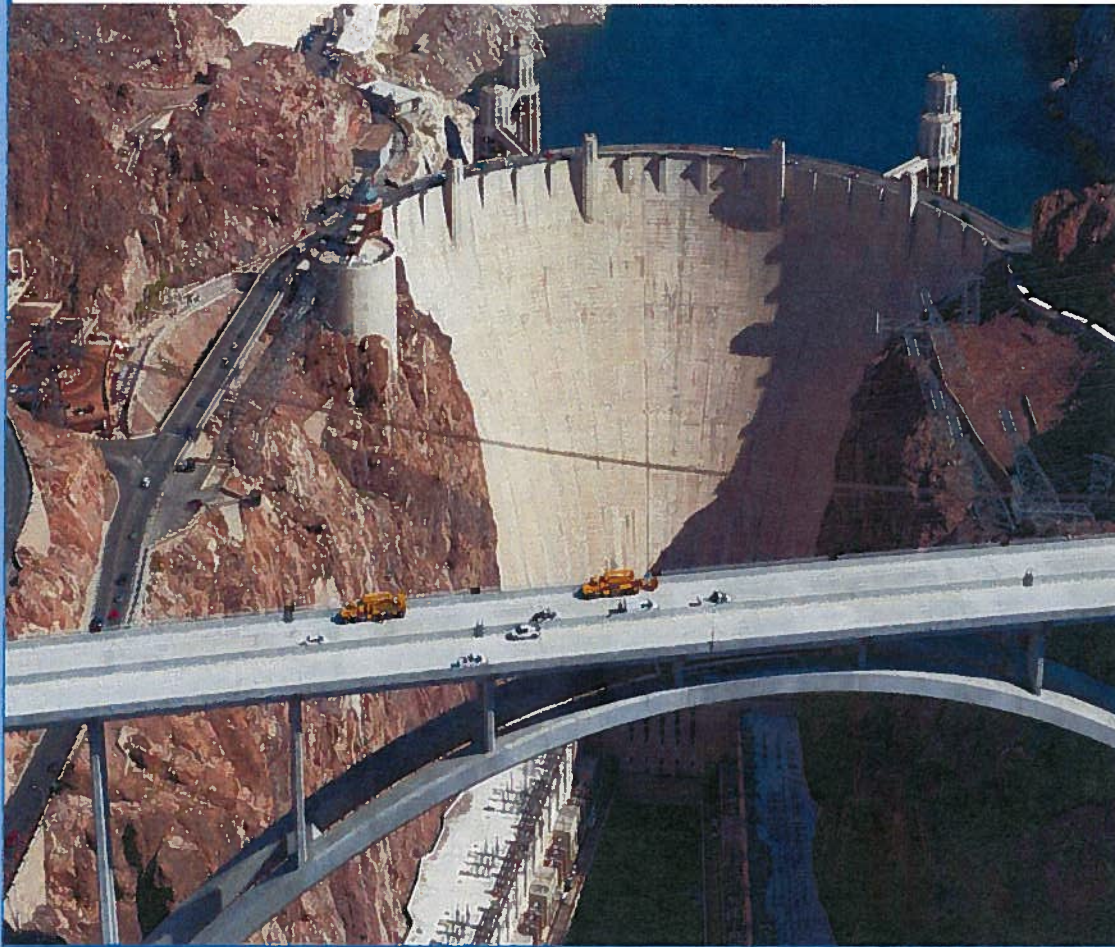


***Boulder Canyon Project
Proposed FY 2013
Base Charge and Rates***



***Informal
Customer
Rate Meeting
Presentation
March 7, 2012***

Comparison of FY's Data

| | <i>Actual FY 2011</i> | <i>Revised FY 2012</i> | <i>Proposed FY 2013</i> |
|---------------------------------|---------------------------|----------------------------|-----------------------------|
| Total Expenses | \$ 84,005,806 | \$ 100,883,338 | \$ 99,898,288 |
| | | | |
| Prior Year Carryover | \$ 4,119,778 | \$ 7,384,216 | \$ 4,738,651 |
| | | | |
| Other Revenues | \$ 17,033,527 | \$ 13,171,000 | \$ 13,450,000 |
| | | | |
| Water Sales Revenue | \$ 699,847 | \$ 530,000 | \$ 530,000 |
| | | | |
| Base Charge | \$ 62,152,654 | \$ 79,798,121 | \$ 81,179,637 |

Details found on Page 1 of Handout.

Detail – FY 2011

| | <i>Change from Estimate to Actual</i> |
|---|---------------------------------------|
| <i>Decrease in Reclamation's OM&R</i> | \$ 7,456,242 |
| <i>Increase in Western's OM&R</i> | \$ -184,770 |
| <i>Decrease in Other Annual Expenses</i> | \$ 1,560,671 |
| <i>Overall Decrease in Total Expenses</i> | \$ 8,832,143 |
| | |
| <i>PY End Carryover – FY 2010</i> | \$ 165,350 |
| <i>Other Revenues</i> | \$ 3,862,527 |
| <i>Water Sales Revenues</i> | \$ 169,847 |
| <i>Increase in Revenues</i> | \$ 4,197,724 |
| | |
| <i>Total: Decreased Expenses + Increased Revenue</i> | \$ 13,029,868 |
| | |
| <i>Change in Undelivered Orders</i> | \$ 5,351,498 |
| <i>Change in Accts Receivable</i> | \$ 294,154 |
| | |
| <i>Cash Available – FY 2011 Yr-end Carryover</i> | \$ 7,384,216 |

Detail found on Page 2 of Handout.

Detail – Revised FY 2012

| | <i>Changes to FY 2012</i> |
|---|----------------------------------|
| <i>Reclamation's OM&R</i> | \$ 80,000 |
| <i>Western's OM&R</i> | \$ 0 |
| <i>Other Annual Expenses</i> | <u>\$ 208,365</u> |
| <i>Total Expenses</i> | \$ 288,365 |
| | |
| <i>PY End Carryover - FY 2011</i> | \$ 5,027,015 |
| <i>Other Revenues</i> | \$ 0 |
| <i>Water Sales Revenues</i> | \$ 0 |
| | |
| <i>Projected carryover available at end of FY 2012</i> | \$ 4,738,651 |

Details found on Page 3 of Handout.

Approved FY2012 to Proposed FY2013

| | Approved FY 2012 | Proposed FY 2013 | Changes |
|-----------------------------|-----------------------------|-----------------------------|-----------------------|
| Total Expenses | \$ 100,594,973 | \$ 99,898,288 | \$ (696,686) |
| | | | |
| PY Carryover | \$ 2,357,201 | \$ 4,738,651 | \$ 2,381,450 |
| Other Revenues | \$ 13,171,000 | \$ 13,450,000 | \$ 279,000 |
| Water Sales Revenues | \$ 530,000 | \$ 530,000 | \$ 0 |
| | | | |
| Base Charge | \$ 84,536,772 | \$ 81,179,637 | \$ (3,357,136) |

Details found on Page 4 of Handout.

Comparison of Base Charge and Rates

| | <i>Approved FY 2012</i> | <i>Proposed FY 2013</i> | <i>Change</i> | <i>% Change</i> |
|--|------------------------------------|------------------------------------|------------------------------|----------------------------|
| <i>Base Charge</i> | <i>\$ 84,536,772</i> | <i>\$ 81,179,637</i> | <i>- \$ 3,357,136</i> | <i>- 3.97</i> |
| <i>Composite Rate Mills/kWh</i> | <i>21.12</i> | <i>20.83</i> | <i>- 0.29</i> | <i>- 1.37</i> |
| <i>Energy Rate (Mills/kWh)</i> | <i>10.56</i> | <i>10.42</i> | <i>- 0.14</i> | <i>- 1.35</i> |
| <i>Energy Sales (mWh)</i> | <i>4,003,600</i> | <i>3,897,102</i> | <i>- 106,498</i> | <i>- 2.66</i> |
| <i>Capacity Rate (\$/kW/Mo)</i> | <i>\$ 1.84</i> | <i>\$ 1.90</i> | <i>\$ 0.06</i> | <i>3.26</i> |
| <i>Capacity Sales(kW)</i> | <i>1,910,167</i> | <i>1,781,583</i> | <i>- 128,584</i> | <i>- 6.73</i> |
| <i>Energy Sales are from the first draft of Western's Master Schedule. Capacity Sales are from the March 17-Month Schedule. This data will be updated prior to the Public Information Forum .</i> | | | | |

Next Steps

- ***Public Information Forum*** ***March 28, 2012***
- ***Public Comment Forum*** ***April 11, 2012***
- ***End of Consultation and
Comment Period*** ***April 17, 2012***
- ***Effective Date of Base Charge
and Rates*** ***October 1, 2012***

Additional Information

For Rate Process & PRS /Repayment

Western's Contacts: Jack Murray

Rates Manager

602-605-2442

jmurray@wapa.gov

Gloria Jordan

Public Utilities Specialist

602-605-2649

jordan@wapa.gov

Jean Sutherland

Budget Analyst Supervisor

602-605-2832

jsutherland@wapa.gov

Tammy Heffner

Budget Analyst

602-605-2834

heffner@wapa.gov

For Reclamation Data

Reclamation Contacts: Brian Sorensen

Financial Officer

702-293-8530

bsorensen@usbr.gov

Jolaine Saxton

Accountant

702-293-8438

jsaxton@usbr.gov

Peter Wong

Financial Specialist

702-293-8023

pwong@usbr.gov

Larry Karr

Public Utilities Specialist

702-293-8094

lkarr@usbr.gov

Website: <http://www.wapa.gov/dsw/pwrmkt/BCP/RateAdjust.htm>