

## **BPA releases fiscal year 2024 financial results**

*Capital execution strong as BPA reinforces the grid ahead of proposed transmission expansion projects*

**Portland, Ore.** – The Bonneville Power Administration reported its end-of-year financial performance results for fiscal year 2024 at its Quarterly Business Review.

BPA's strong liquidity position at the beginning of the year, combined with prudent power marketing strategies and financial tools, allowed the agency to navigate the weather and market volatility.

BPA ended the year with net revenues of negative \$132 million, missing agency targets by \$227 million. This was primarily driven by higher-than-expected power purchases during the January cold snap. In the fourth quarter, net revenues improved by \$89 million over the third quarter forecast.

"We improved our net revenues throughout the year and beat our operational cost targets despite the financial impacts of low hydro generation, high market prices and losses associated with the dry winter and January cold snap," said Chief Financial Officer Marcus Harris. "Over the past five years we have seen significant volatility in wholesale markets leading to this year's negative net revenue to a record financial performance several years ago."

Power Services ended the year with net revenues of negative \$157 million, missing agency targets by \$257 million due to dry conditions, high market prices and low water availability for power generation. The runoff from January through July was 24% less than expected. Additionally, the January cold snap loomed over BPA's financial outlook, with 50% of FY 2024 power purchases taking place in January when prices spiked.

Transmission Services ended the year with net revenues of \$28 million, exceeding agency targets by \$32 million. Increased cost pressures were offset by higher-than-expected operating revenues and lower expenses.

BPA's capital execution continues at a strong pace. Agency direct capital expenditure ended the year at \$1.041 billion, \$121 million above targets. This is primarily due to transmission projects finishing ahead of schedule, but was also impacted by increased contract, material and labor costs. Federal hydro direct capital expenditures finished the year \$32 million above targets due to work at Chief Joseph Dam and Grand Coulee.

BPA's financial reserves ended the year in a healthy position at \$823 million. Transmission Services ended the year at \$316 million, triggering the Reserves Distribution Clause in the amount of \$82.8 million.

The Reserves Distribution Clause is a component of BPA's Financial Reserves Policy that triggers when reserves, measured in days cash on hand, reach pre-established targets. BPA is proposing to apply the \$82.8 million to flexible debt reduction. This use supports BPA's Financial Plan goals to achieve a 60%



debt to asset ratio by 2040. BPA expects to make a final decision on applying the Reserves Distribution Clause amount in December after reviewing customer feedback.

BPA maintains high investment-grade credit ratings on non-federal BPA backed bonds with all three ratings agencies – Moody's, Fitch and Standard and Poor's.

BPA's end-of-year results are available on our Quarterly Business Review [webpage](#).

**About BPA** *The Bonneville Power Administration is a federal non-profit power marketing administration that delivers reliable, low-cost and carbon-free hydropower produced in the Columbia River Basin to communities across the Northwest. BPA also owns and operates more than 15,000 circuit miles of high-voltage transmission lines and administers one of the largest, most comprehensive fish and wildlife conservation programs in the United States. A leader in promoting energy efficiency, BPA has saved more than 2,500 average megawatts of energy since 1980. More information about these and other activities is available on our [Media Relations page](#).*

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