BPA Makes Payment to U.S. Treasury

Local News

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Portland, Ore. - The Bonneville Power Administration made its 27th consecutive annual payment to the U.S. Treasury – a total of $864.1 million for fiscal year 2010, which ended Sept. 30. This extended history of on time and in full payments underscores BPA's financial stability. It also represents an ongoing, substantial return to U.S. taxpayers, who originally invested in the region's federal dams, energy efficiency, fish and wildlife mitigation, and transmission infrastructure. BPA’s annual payments primarily comprise principal and interest on the federal investment. "BPA's record of payments reflects our conservative approach to fiscal management, and is a clear indicator that BPA is financially stable,” said Steve Wright, BPA administrator. “The agency’s staff and our customers have helped build this foundation over time and that has helped us weather yet another tough financial year caused by low water and poor economic conditions."

BPA’s principal source of capital financing is $7.7 billion in borrowing authority, basically a line of credit, with the U.S. Treasury. BPA’s capital programs build and support Northwest transmission, clean energy and fish and wildlife infrastructure. Specifically, BPA uses Treasury borrowing authority to finance high-voltage transmission, federal hydropower system upgrades, energy efficiency investments, and fish and wildlife projects. BPA is a self-financed agency that covers its costs with revenues from Northwest ratepayers and others who purchase its wholesale power and transmission products and services. BPA receives no annual appropriations from the U.S. Congress and repays borrowing from taxpayers with interest. As part of its fiscal management, BPA has focused on maintaining appropriate reserves to ensure its ability to make its Treasury payments even during economic downturns and low water conditions. The Bonneville Power Administration, headquartered in Portland, Ore., is a not-for-profit federal electric utility that operates a high-voltage transmission grid comprising more than 15,000 miles of lines and associated substations in Washington, Oregon, Idaho and Montana. It also markets more than a third of the electricity consumed in the Pacific Northwest. The power is produced at 31 federal dams operated by the Army Corps of Engineers and Bureau of Reclamation and one nuclear plant in the Northwest and is sold to more than 140 Northwest utilities. BPA purchases power from seven wind projects and has more than 3,000 megawatts of wind interconnected to its transmission system.