



## FINANCIAL STATEMENTS

June 2004

*(Unaudited)*

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## Financial Highlights June 2004



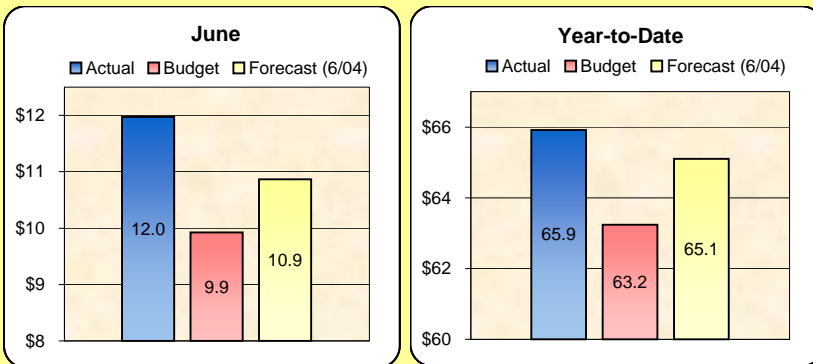
Issue date: 7/22/04

Financial highlights for the month of June include:

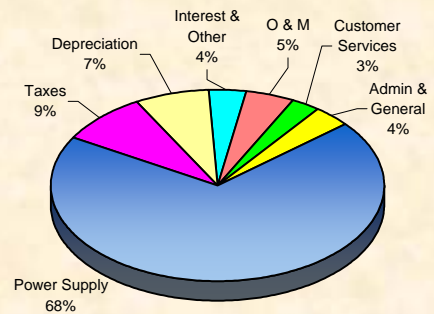
- District operations resulted in net income of \$175,000 for the month, bringing year-to-date net income to \$3.2 million.
- Retail kWh billed were 12% lower than last year with significant declines in the residential and large irrigation customer classes likely related to a drop in cumulative cooling degrees of 59% from the prior year and precipitation at 151% of normal through June.
- Retail kWh billed were within 1% of budget estimates with the greatest budgetary variance in the residential customer class. As a result of the shortfall in kWh from projections, retail revenues of \$8.3 million were below budget by 4% for the month.
- Net power supply costs exceeded budget estimates for the month by 2% or \$121,000. Significant issues related to power cost include:
  - Slice system generation was 89% of normal and provided the District with 6% more kWh than budgeted for the month.
  - Sales for resale were strong at \$2.9 million for the month exceeding the budget by 145% with an average price of \$27 per MWh.
  - The Frederickson plant ran for only 4 days during the month as gas and power prices kept the plant operation uneconomical.
- Other operating expenses before taxes and depreciation were above budget estimates by 2% or \$21,000.
- Capital expenditures of \$708,000 for the month were below budget projections by \$280,000.

Actual Results	(in thousands of dollars)												Annual Budget	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Total
Retail Revenues	\$10,280	\$9,607	\$7,602	\$6,561	\$7,752	\$8,342							\$50,144	\$104,803
Sales for Resale	\$2,058	\$2,679	\$2,603	\$1,759	\$2,190	\$3,517							\$14,805	\$16,912
Power Supply	\$7,832	\$7,596	\$6,554	\$6,358	\$7,016	\$9,063							\$44,418	\$80,257
Other Expenses	\$3,095	\$2,946	\$2,925	\$2,839	\$2,656	\$2,739							\$17,199	\$35,550
Operating Income (Loss)	\$1,762	\$1,904	\$851	(\$772)	\$380	\$172							\$4,297	\$7,484
<b>Change in Net Assets</b>														
Actual	\$1,504	\$1,757	\$554	(\$1,040)	\$263	\$175							\$3,213	
Budget	\$2,140	\$1,830	\$1,853	(\$424)	\$846	\$284							\$6,529	\$4,662
<b>Load Statistics</b>														
aMW - Retail Sales	202	175	147	165	177	211							180	184
aMW - Sales for Resale	51	87	85	76	100	146							91	50
aMW Purchased - BPA	210	215	203	204	244	296							228	238
aMW Purchased - Other	53	46	30	34	50	87							49	9
aMW Generated - CT	-	-	-	-	-	-							-	-
Cost per MWh - BPA	\$30.75	\$31.04	\$28.85	\$26.94	\$22.72	\$21.47							\$26.50	\$28.51
Cost per MWh - Total	\$40.85	\$41.89	\$37.76	\$37.11	\$32.12	\$32.89							\$36.65	\$37.02

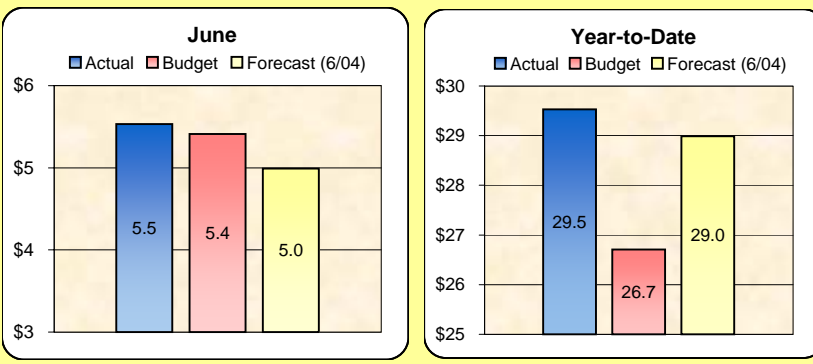
**Total Operating Revenue**  
(in millions of dollars)



**Total Expenses**



**Net Power Supply Costs**  
(in millions of dollars)



**Key Ratios**

Current Ratio	2.83 : 1
Debt Service Coverage (2001 actual)	1.69
Debt Service Coverage (2002 actual)	2.57
Debt Service Coverage (2003 actual)	4.45
Debt Service Coverage (2004 budget) (includes capital contributions)	2.37

**Other Statistics**

Working Capital	\$ 27.6 million
Net Utility Plant	\$ 122.6 million
Long-Term Debt	\$ 80.1 million
Rate Stabilization Account	\$ 2.9 million
Contingency & Replacement Account	\$ 5.3 million
Construction Account	\$ 1.2 million
Bond Reserve & Sinking Accounts	\$ 4.6 million
Employees (FTE's)	160.7

**PUBLIC UTILITY DISTRICT NO.1 OF BENTON COUNTY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**CURRENT MONTH**

	6/30/2004			7/1/2003	
	ACTUAL	OPERATING BUDGET	PCT VAR	ACTUAL	PCT VAR
<b>OPERATING REVENUES</b>					
Energy Sales - Retail	\$8,341,735	\$8,649,916	-4%	\$9,119,502	-9%
Energy Sales for Resale	3,516,751	1,169,937	n/a	1,945,187	81%
Transmission of Power for Others	13,101	-	n/a	14,244	-8%
Broadband Revenue	13,982	31,250	-55%	4,901	185%
Other Revenue	87,588	72,488	21%	64,184	36%
<b>TOTAL OPERATING REVENUES</b>	<b>11,973,156</b>	<b>9,923,591</b>	<b>21%</b>	<b>11,148,017</b>	<b>7%</b>
<b>OPERATING EXPENSES</b>					
Purchased Power	8,224,575	5,773,560	42%	7,568,085	9%
Purchased Transmission and Ancillary Services	765,368	744,228	3%	850,632	-10%
Generation	72,597	63,919	14%	266,936	-73%
Total Power Supply	9,062,540	6,581,707	38%	8,685,653	4%
Transmission Operation & Maintenance	5,653	11,658	-52%	10,574	-47%
Distribution Operation & Maintenance	480,776	515,295	-7%	447,393	7%
Broadband Expense	36,497	41,391	-12%	34,894	5%
Customer Accounting, Collection and Information	289,703	239,642	21%	233,907	24%
Administrative & General	370,578	354,008	5%	302,146	23%
Subtotal before Taxes & Depreciation	1,183,207	1,161,994	2%	1,028,913	15%
Taxes	784,357	879,076	-11%	778,489	1%
Depreciation & Amortization	771,257	781,639	-1%	737,431	5%
Total Other Operating Expenses	2,738,820	2,822,709	-3%	2,544,832	8%
<b>TOTAL OPERATING EXPENSES</b>	<b>11,801,360</b>	<b>9,404,416</b>	<b>25%</b>	<b>11,230,485</b>	<b>5%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>171,796</b>	<b>519,175</b>	<b>-67%</b>	<b>(82,468)</b>	<b>n/a</b>
<b>NONOPERATING REVENUES &amp; EXPENSES</b>					
Interest Income	21,499	20,833	3%	16,668	29%
Interest Expense	(335,691)	(321,799)	4%	(343,158)	-2%
Debt Discount & Expense Amortization	(9,600)	(9,535)	1%	(21,423)	-55%
Loss in Joint Ventures	(40,519)	(35,958)	13%	(19,025)	113%
<b>TOTAL NONOPERATING REVENUES &amp; EXPENSES</b>	<b>(364,311)</b>	<b>(346,459)</b>	<b>5%</b>	<b>(366,939)</b>	<b>-1%</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	<b>(192,515)</b>	<b>172,716</b>	<b>n/a</b>	<b>(449,407)</b>	<b>-57%</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>367,158</b>	<b>111,277</b>	<b>n/a</b>	<b>139,208</b>	<b>164%</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$174,644</b>	<b>\$283,993</b>	<b>-39%</b>	<b>(\$310,199)</b>	<b>-156%</b>

**PUBLIC UTILITY DISTRICT NO.1 OF BENTON COUNTY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR TO DATE**

	6/30/2004			7/1/2003	
	ACTUAL	OPERATING BUDGET	PCT VAR	ACTUAL	PCT VAR
<b>OPERATING REVENUES</b>					
Energy Sales - Retail	\$50,143,996	\$50,827,738	-1%	\$45,963,476	9%
Energy Sales for Resale	14,805,397	11,464,814	29%	18,888,959	-22%
Transmission of Power for Others	81,584	-	n/a	135,965	-40%
Broadband Revenue	55,678	187,500	-70%	19,038	192%
Other Revenue	827,485	756,805	9%	743,223	11%
<b>TOTAL OPERATING REVENUES</b>	<b>65,914,140</b>	<b>63,236,857</b>	<b>4%</b>	<b>65,750,661</b>	<b>0%</b>
<b>OPERATING EXPENSES</b>					
Purchased Power	39,859,967	33,326,566	20%	43,925,859	-9%
Purchased Transmission and Ancillary Services	4,069,410	4,317,322	-6%	4,675,144	-13%
Generation	488,287	526,113	-7%	1,163,748	-58%
Total Power Supply	44,417,664	38,170,001	16%	49,764,751	-11%
Transmission Operation & Maintenance	60,377	45,028	34%	76,011	-21%
Distribution Operation & Maintenance	2,891,835	2,947,540	-2%	2,787,551	4%
Broadband Expense	129,394	247,465	-48%	185,460	-30%
Customer Accounting, Collection and Information	1,663,459	1,484,856	12%	1,525,003	9%
Administrative & General	2,343,337	2,211,272	6%	2,150,754	9%
Subtotal before Taxes & Depreciation	7,088,403	6,936,161	2%	6,724,777	5%
Taxes	5,483,335	5,500,727	0%	4,865,648	13%
Depreciation & Amortization	4,627,539	4,689,847	-1%	4,367,726	6%
Total Other Operating Expenses	17,199,277	17,126,735	0%	15,958,152	8%
<b>TOTAL OPERATING EXPENSES</b>	<b>61,616,941</b>	<b>55,296,736</b>	<b>11%</b>	<b>65,722,903</b>	<b>-6%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>4,297,199</b>	<b>7,940,121</b>	<b>-46%</b>	<b>27,758</b>	<b>n/a</b>
<b>NONOPERATING REVENUES &amp; EXPENSES</b>					
Interest Income	130,460	125,002	4%	137,038	-5%
Interest Expense	(2,019,983)	(1,930,789)	5%	(2,023,682)	0%
Debt Discount & Expense Amortization	(57,600)	(57,208)	1%	(128,538)	-55%
Loss in Joint Ventures	(230,386)	(215,752)	7%	(139,151)	66%
<b>TOTAL NONOPERATING REVENUES &amp; EXPENSES</b>	<b>(2,177,509)</b>	<b>(2,078,747)</b>	<b>5%</b>	<b>(2,154,333)</b>	<b>1%</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	<b>2,119,690</b>	<b>5,861,374</b>	<b>-64%</b>	<b>(2,126,575)</b>	<b>-200%</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>1,093,570</b>	<b>667,666</b>	<b>64%</b>	<b>936,805</b>	<b>17%</b>
<b>CHANGE IN NET ASSETS</b>	<b>3,213,261</b>	<b>6,529,040</b>	<b>-51%</b>	<b>(1,189,769)</b>	<b>n/a</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>74,704,700</b>	<b>74,704,700</b>	<b>0%</b>	<b>72,842,400</b>	<b>3%</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$77,917,961</b>	<b>\$81,233,740</b>	<b>-4%</b>	<b>\$71,652,631</b>	<b>9%</b>

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**MONTHLY ACTIVITY**

	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>OPERATING REVENUES</b>													
Energy Sales - Retail	\$10,280,442	\$9,606,630	\$7,601,573	\$6,561,211	\$7,752,405	\$8,341,735							\$50,143,996
Energy Sales for Resale	2,057,739	2,679,171	2,603,248	1,758,682	2,189,808	3,516,751							14,805,399
Transmission of Power for Others	13,747	13,684	13,684	13,684	13,684	13,101							81,584
Broadband Revenue	7,788	5,081	9,224	9,576	10,027	13,982							55,678
Other Electric Revenue	328,735	141,254	101,992	81,993	85,923	87,588							827,485
<b>TOTAL OPERATING REVENUES</b>	12,688,451	12,445,820	10,329,721	8,425,146	10,051,847	11,973,157	-	-	-	-	-	-	65,914,142
<b>OPERATING EXPENSES</b>													
Purchased Power	7,188,029	6,696,208	5,866,852	5,626,876	6,257,426	8,224,575							39,859,966
Purchased Transmission & Ancillary Svcs.	584,160	782,522	590,135	657,201	690,024	765,368							4,069,410
Generation	59,339	117,293	96,733	73,911	68,415	72,597							488,288
Total Power Supply	7,831,528	7,596,023	6,553,720	6,357,988	7,015,865	9,062,540	-	-	-	-	-	-	44,417,664
Transmission Operation & Maint.	10,378	10,650	8,114	13,449	12,132	5,653							60,376
Distribution Operation & Maint.	396,988	427,833	574,769	551,707	459,762	480,776							2,891,835
Broadband Expense	4,899	27,503	18,418	21,358	20,718	36,497							129,393
Customer Accounting, Collection and Information	277,209	245,291	269,018	291,474	290,764	289,703							1,663,459
Administrative & General	375,708	416,181	392,812	402,797	385,261	370,578							2,343,337
Subtotal before Taxes & Depreciation	1,065,182	1,127,458	1,263,131	1,280,785	1,168,637	1,183,207	-	-	-	-	-	-	7,088,400
Taxes	1,254,292	1,050,961	890,412	787,245	716,068	784,357							5,483,335
Depreciation & Amortization	775,127	767,386	771,257	771,257	771,257	771,257							4,627,541
Total Other Operating Expenses	3,094,601	2,945,805	2,924,800	2,839,287	2,655,962	2,738,821	-	-	-	-	-	-	17,199,276
<b>TOTAL OPERATING EXPENSES</b>	10,926,129	10,541,828	9,478,520	9,197,275	9,671,827	11,801,361	-	-	-	-	-	-	61,616,940
<b>OPERATING INCOME (LOSS)</b>	1,762,322	1,903,992	851,201	(772,129)	380,020	171,796	-	-	-	-	-	-	4,297,202
<b>NONOPERATING REVENUES &amp; EXPENSES</b>													
Interest Income	18,153	20,314	23,086	24,217	23,193	21,499							130,462
Interest Expense	(337,258)	(336,409)	(337,687)	(335,845)	(337,092)	(335,691)							(2,019,982)
Debt Discount & Expense Amortization	(9,600)	(9,600)	(9,600)	(9,600)	(9,600)	(9,600)							(57,600)
Loss in Joint Ventures	(910)	(53,505)	(54,415)	(40,519)	(40,519)	(40,519)							(230,387)
<b>TOTAL NONOPERATING REV/EXP</b>	(329,615)	(379,200)	(378,616)	(361,747)	(364,018)	(364,311)	-	-	-	-	-	-	(2,177,507)
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	1,432,707	1,524,792	472,585	(1,133,876)	16,002	(192,515)	-	-	-	-	-	-	2,119,695
<b>CAPITAL CONTRIBUTIONS</b>	71,365	232,528	81,665	93,381	247,473	367,158							1,093,570
<b>CHANGE IN NET ASSETS</b>	\$1,504,072	\$1,757,320	\$554,250	(\$1,040,495)	\$263,475	\$174,643	\$0	\$0	\$0	\$0	\$0	\$0	\$3,213,265

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**  
**COMPARATIVE BALANCE SHEET**  
**ASSETS**

			Increase/(Decrease)	
	6/30/2004	6/30/2003	Amount	Percent
<b>UTILITY PLANT</b>				
Electric Plant Accounts	\$199,037,764	\$188,643,773	\$10,393,992	
Plant Held for Future Use	388,589	388,589	-	
Construction Work in Progress	1,580,760	3,914,064	(2,333,304)	
Accumulated Depreciation	(78,438,334)	(70,605,583)	(7,832,751)	
<b>NET UTILITY PLANT</b>	<b>122,568,779</b>	<b>122,340,842</b>	<b>227,937</b>	<b>0%</b>
<b>RESTRICTED ASSETS</b>				
Bond Fund Principal & Interest	3,800,817	950,817	2,850,000	
Bond Reserve	812,537	812,537	-	
Construction Account	1,190,254	8,261,498	(7,071,244)	
<b>TOTAL RESTRICTED ASSETS</b>	<b>5,803,608</b>	<b>10,024,852</b>	<b>(4,221,244)</b>	<b>-42%</b>
<b>LONG-TERM ASSETS</b>				
Ownership Interest in PRM	435,815	589,372	(153,557)	
<b>CURRENT ASSETS</b>				
Cash and Working Funds	4,066,893	4,907,279	(840,387)	
Temporary Investments	21,816,161	10,198,210	11,617,950	
Accounts Receivable, net	7,290,793	7,238,653	52,141	
Accrued Unbilled Revenue	2,400,000	2,667,000	(267,000)	
Notes Receivable	-	211,816	(211,816)	
Inventory Materials & Supplies	4,264,738	3,646,697	618,040	
Prepayments	372,701	393,091	(20,390)	
Accrued Interest Receivable	-	-	-	
Accrued Electric Revenue	2,472,070	1,091,706	1,380,364	
<b>TOTAL CURRENT ASSETS</b>	<b>42,683,355</b>	<b>30,354,451</b>	<b>12,328,903</b>	<b>41%</b>
<b>DEFERRED CHARGES</b>				
Unamortized Debt Expense	1,196,043	1,341,459	(145,416)	
Preliminary Surveys	-	-	-	
Deferred Regulatory Charges	-	1,067,106	(1,067,106)	
Deferred Purchased Power Costs	476,886	540,581	(63,694)	
Deferred Conservation Costs	1,029,165	1,300,014	(270,849)	
Other Deferred Charges	(187,967)	(27,381)	(160,586)	
<b>TOTAL DEFERRED CHARGES</b>	<b>2,514,128</b>	<b>4,221,779</b>	<b>(1,707,651)</b>	<b>-40%</b>
<b>TOTAL ASSETS</b>	<b>\$174,005,684</b>	<b>\$167,531,296</b>	<b>\$6,474,388</b>	<b>4%</b>

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**  
**COMPARATIVE BALANCE SHEET**  
**EQUITY AND LIABILITIES**

	Increase/(Decrease)			
	6/30/2004	6/30/2003	Amount	Percent
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	\$47,583,654	\$51,605,639	(\$4,021,985)	
Unrestricted	30,334,307	20,046,991	10,287,316	
<b>TOTAL NET ASSETS</b>	<b>77,917,961</b>	<b>71,652,630</b>	<b>6,265,330</b>	<b>9%</b>
<b>LONG-TERM DEBT</b>				
1995 Bond Issue	7,570,000	7,570,000	-	
1996 Bond Issue	3,475,000	3,475,000	-	
1997 Bond Issue	17,395,000	17,395,000	-	
2001 Bond Issue	33,360,000	33,360,000	-	
2002 Bond Issue	17,305,000	17,305,000	-	
Unamortized Premium and Discount	1,545,234	1,707,370	(162,136)	
Unamortized Loss on Defeased Debt	(547,817)	(738,631)	190,814	
<b>TOTAL LONG-TERM DEBT</b>	<b>80,102,416</b>	<b>80,073,738</b>	<b>28,678</b>	<b>0%</b>
<b>LIABILITIES PAYABLE FROM RESTRICTED ASSETS</b>				
Accrued Interest Payable	686,316	686,316	-	<b>0%</b>
<b>CURRENT LIABILITIES</b>				
Warrants Outstanding	374,787	299,810	74,977	
Accounts Payable	10,275,547	10,667,652	(392,105)	
Customer Deposits	615,820	506,666	109,155	
Accrued Taxes Payable	1,684,073	1,554,161	129,912	
Other Current & Accrued Liabilities	2,149,552	1,592,675	556,877	
<b>TOTAL CURRENT LIABILITIES</b>	<b>15,099,779</b>	<b>14,620,963</b>	<b>478,816</b>	<b>3%</b>
<b>DEFERRED CREDITS &amp; OTHER LIABILITIES</b>				
Deferred Revenue	-	224,598	(224,598)	
Deferred Regulatory Credits	-	-	-	
Other Liabilities	199,212	273,050	(73,838)	
Equity Position in Joint Venture	-	-	-	
<b>TOTAL DEFERRED CREDITS &amp; OTHER LIABILITIES</b>	<b>199,212</b>	<b>497,648</b>	<b>(298,437)</b>	<b>-60%</b>
<b>TOTAL NET ASSETS AND LIABILITIES</b>	<b>\$174,005,684</b>	<b>\$167,531,296</b>	<b>\$6,474,388</b>	<b>4%</b>
<b>CURRENT RATIO:</b>	<b>2.83:1</b>	<b>2.08:1</b>		
(Current Assets / Current Liabilities)				
<b>WORKING CAPITAL:</b>	<b>\$27,583,576</b>	<b>\$15,733,488</b>	<b>\$11,850,087</b>	<b>75%</b>
(Current Assets less Current Liabilities)				

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**  
**ENERGY STATISTICAL DATA**  
**CURRENT MONTH**

	6/30/2004			6/30/2003	
	ACTUAL	OPERATING BUDGET	PCT VAR	ACTUAL	PCT VAR
<b>ENERGY SALES RETAIL - REVENUE</b>					
Residential	\$2,615,372	\$3,026,856	-14%	\$2,982,783	-12%
Small General Service	568,222	571,854	-1%	560,738	1%
Medium General Service	711,725	690,418	3%	708,358	0%
Large General Service	917,176	868,604	6%	786,882	17%
Large Industrial	210,149	201,387	4%	220,314	-5%
Small Irrigation	110,535	115,603	-4%	113,093	-2%
Large Irrigation	2,611,529	2,574,695	1%	3,053,745	-14%
Street Lights	38,820	33,989	14%	35,781	8%
Security Lights	19,363	20,047	-3%	18,038	7%
Unmetered Accounts	11,200	-		10,702	5%
<b>Billed Revenues Before Taxes</b>	<b>\$7,814,091</b>	<b>\$8,103,454</b>	<b>-4%</b>	<b>\$8,490,433</b>	<b>-8%</b>
City Occupation Taxes	297,644	304,974	-2%	305,069	-2%
Bad Debt Expense (.5% of retail sales)	(43,000)	(31,511)	36%	(40,000)	8%
Unbilled Revenue	273,000	273,000	0%	364,000	-25%
<b>TOTAL SALES - REVENUE</b>	<b>\$8,341,735</b>	<b>\$8,649,917</b>	<b>-4%</b>	<b>\$9,119,502</b>	<b>-9%</b>
<b>ENERGY SALES RETAIL - kWh</b>					
Residential	33,298,806	36,234,439	-8%	38,600,894	-14%
Small General Service	8,582,655	8,669,829	-1%	9,017,065	-5%
Medium General Service	13,104,210	12,327,065	6%	13,284,301	-1%
Large General Service	17,332,910	16,259,939	7%	15,807,410	10%
Large Industrial	6,022,880	5,914,340	2%	4,727,575	27%
Small Irrigation	2,503,239	2,543,377	-2%	2,689,866	-7%
Large Irrigation	70,703,250	71,035,285	0%	87,552,514	-19%
Street Lights	328,941	315,927	4%	316,752	4%
Security Lights	90,900	88,624	3%	90,918	0%
Unmetered Accounts	197,736	-		184,750	7%
<b>TOTAL kWh SOLD</b>	<b>152,165,527</b>	<b>153,388,826</b>	<b>-1%</b>	<b>172,272,045</b>	<b>-12%</b>
<b>NET POWER COST</b>					
BPA Power Costs					
Slice	\$3,403,748	\$3,677,134	-7%	\$3,985,679	-15%
Pre-subscription/Block	1,172,699	1,215,829	-4%	1,193,046	-2%
Subtotal	4,576,447	4,892,963	-6%	5,178,725	-12%
Other Power Purchases	2,162,404	227,031	852%	1,505,882	44%
Frederickson	1,485,724	653,566	127%	883,478	68%
Transmission	539,779	539,708	0%	637,062	-15%
Ancillary	225,589	204,520	10%	213,570	6%
Generation	72,597	63,919	14%	266,936	-73%
Cost of Gas Sold from Storage	-	-		-	
Gross Power Costs	9,062,540	6,581,707	38%	8,685,653	4%
Less Sales for Resale-Energy	(2,871,323)	(1,169,937)	145%	(1,945,187)	48%
Less Sales for Resale-Gas	(645,427)	-		-	n/a
Less Transmission of Power for Others	(13,101)	-	n/a	(14,244)	-8%
<b>NET POWER COSTS</b>	<b>\$5,532,688</b>	<b>\$5,411,770</b>	<b>2%</b>	<b>\$6,726,223</b>	<b>-18%</b>
<b>NET POWER - kWh</b>					
BPA Power Costs					
Slice	144,177,000	135,935,000	6%	127,884,000	13%
Pre-subscription/Block	69,000,000	69,120,000	0%	69,552,000	-1%
Subtotal	213,177,000	205,055,000	4%	197,436,000	8%
Other Power Purchases	57,548,000	6,441,000	793%	47,517,000	21%
Frederickson	4,795,000	-		6,000,000	n/a
Generation	-	-		235,000	n/a
Gross Power kWh	275,520,000	211,496,000	30%	251,188,000	10%
Less Sales for Resale	(104,846,000)	(42,193,000)	148%	(63,344,000)	66%
Less Transmission Losses/Imbalance	(4,260,000)	-		(3,888,000)	
<b>NET POWER - kWh</b>	<b>166,414,000</b>	<b>169,303,000</b>	<b>-2%</b>	<b>183,956,000</b>	<b>-10%</b>
<b>COST PER MWh: (dollars)</b>					
Gross Power Cost (average)	\$32.89	\$31.12	6%	\$34.58	-5%
Net Power Cost	\$33.25	\$31.96	4%	\$36.56	-9%
BPA Power Cost	\$21.47	\$23.86	-10%	\$26.23	-18%
Sales for Resale	\$27.39	\$27.73	-1%	\$30.71	-11%
<b>ACTIVE SERVICE AGREEMENTS:</b>					
Residential	36,267			35,392	2%
Small General Service	4,107			4,036	2%
Medium General Service	626			613	2%
Large General Service	118			111	6%
Large Industrial	3			3	0%
Small Irrigation	634			644	-2%
Large Irrigation	95			96	-1%
Street Lights	9			9	0%
Security Lights	1,464			1,467	0%
Unmetered Accounts	351			341	3%
<b>TOTAL</b>	<b>43,674</b>			<b>42,712</b>	2%

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**  
**ENERGY STATISTICAL DATA**  
**YEAR TO DATE**

	6/30/2004			6/30/2003	
	ACTUAL	OPERATING BUDGET	PCT VAR	ACTUAL	PCT VAR
<b>ENERGY SALES RETAIL - REVENUE</b>					
Residential	\$25,590,574	\$26,843,309	-5%	\$22,413,220	14%
Small General Service	3,711,073	3,707,382	0%	3,280,101	13%
Medium General Service	4,796,730	4,810,739	0%	4,421,703	8%
Large General Service	6,042,297	5,740,398	5%	5,432,061	11%
Large Industrial	1,190,397	1,351,886	-12%	1,296,303	-8%
Small Irrigation	363,842	350,300	4%	342,331	6%
Large Irrigation	7,474,001	7,187,395	4%	7,390,098	1%
Street Lights	232,698	203,933	14%	213,304	9%
Security Lights	116,568	120,285	-3%	107,409	9%
Unmetered Accounts	66,908	-		64,239	4%
<b>Billed Revenues Before Taxes</b>	<b>\$49,585,088</b>	<b>\$50,315,627</b>	<b>-1%</b>	<b>\$44,960,768</b>	<b>10%</b>
City Occupation Taxes	2,423,908	2,391,554	1%	2,128,052	14%
Bad Debt Expense (.5% of retail sales)	(265,000)	(279,447)	-5%	(230,344)	15%
Unbilled Revenue	(1,600,000)	(1,600,000)	0%	(895,000)	79%
<b>TOTAL SALES - REVENUE</b>	<b>\$50,143,996</b>	<b>\$50,827,734</b>	<b>-1%</b>	<b>\$45,963,476</b>	<b>9%</b>
<b>ENERGY SALES RETAIL - kWh</b>					
Residential	329,183,393	336,805,013	-2%	302,535,595	9%
Small General Service	56,441,624	56,518,768	0%	53,089,621	6%
Medium General Service	81,365,411	80,350,828	1%	78,980,076	3%
Large General Service	110,884,840	104,857,236	6%	104,048,100	7%
Large Industrial	33,385,295	39,785,508	-16%	30,117,760	11%
Small Irrigation	6,065,098	5,909,383	3%	6,099,738	-1%
Large Irrigation	163,022,949	161,265,265	1%	173,740,432	-6%
Street Lights	1,970,970	1,891,333	4%	1,896,570	4%
Security Lights	546,444	530,561	3%	547,344	0%
Unmetered Accounts	1,186,416	-		1,100,870	8%
<b>TOTAL kWh SOLD</b>	<b>784,052,440</b>	<b>787,913,895</b>	<b>0%</b>	<b>752,156,106</b>	<b>4%</b>
<b>NET POWER COST</b>					
BPA Power Costs					
Slice	\$20,144,737	\$21,265,775	-5%	\$23,007,731	-12%
Pre-subscription/Block	6,291,966	6,502,424	-3%	6,450,611	-2%
Subtotal	26,436,703	27,768,198	-5%	29,458,342	-10%
Other Power Purchases	6,889,604	1,115,288	518%	7,776,499	-11%
Frederickson	6,533,660	4,443,083	47%	6,691,018	-2%
Transmission	3,238,838	3,238,248	0%	3,599,005	-10%
Ancillary	830,572	1,079,074	-23%	1,076,139	-23%
Generation	488,287	526,110	-7%	1,163,748	-58%
Cost of Gas Sold from Storage	-	-		-	
Gross Power Costs	44,417,664	38,170,000	16%	49,764,751	-11%
Less Sales for Resale-Energy	(14,045,841)	(11,464,815)	23%	(18,434,528)	-24%
Less Sales for Resale-Gas	(759,557)	-		(454,430)	67%
Less Transmission of Power for Others	(81,584)	-	n/a	(135,965)	-40%
<b>NET POWER COSTS</b>	<b>\$29,530,683</b>	<b>\$26,705,186</b>	<b>11%</b>	<b>\$30,739,828</b>	<b>-4%</b>
<b>NET POWER - kWh</b>					
BPA Power Costs					
Slice	684,354,000	778,647,000	-12%	685,454,000	0%
Pre-subscription/Block	313,140,000	315,486,000	-1%	318,136,000	-2%
Subtotal	997,494,000	1,094,133,000	-9%	1,003,590,000	-1%
Other Power Purchases	171,426,000	28,914,000	493%	232,135,000	-26%
Frederickson	42,995,000	10,400,000	313%	53,550,000	-20%
Generation	-	-		361,000	n/a
Gross Power kWh	1,211,915,000	1,133,447,000	7%	1,289,636,000	-6%
Less Sales for Resale	(395,873,000)	(307,982,000)	29%	(498,195,000)	-21%
Less Transmission Losses/Imbalance	(22,359,000)	-		(24,893,000)	
<b>NET POWER - kWh</b>	<b>793,683,000</b>	<b>825,465,000</b>	<b>-4%</b>	<b>766,548,000</b>	<b>4%</b>
<b>COST PER MWh: (dollars)</b>					
Gross Power Cost (average)	\$36.65	\$33.68	9%	\$38.59	-5%
Net Power Cost	\$37.21	\$32.35	15%	\$40.10	-7%
BPA Power Cost	\$26.50	\$25.38	4%	\$29.35	-10%
Sales for Resale	\$35.48	\$37.23	-5%	\$37.00	-4%
<b>AVERAGE ACTIVE SERVICE AGREEMENTS:</b>					
Residential	36,084			35,321	2%
Small General Service	4,105			4,012	2%
Medium General Service	624			611	2%
Large General Service	116			111	5%
Large Industrial	3			3	0%
Small Irrigation	637			641	-1%
Large Irrigation	95			96	-1%
Street Lights	9			9	0%
Security Lights	1,470			1,426	3%
Unmetered Accounts	351			341	3%
<b>TOTAL</b>	<b>43,493</b>			<b>42,570</b>	<b>2%</b>

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**  
**KWH SALES**  
**MONTHLY ACTIVITY**

	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Residential</b>													
2000	78,839,057	72,956,528	59,921,573	49,694,649	35,290,182	38,232,149	43,934,958	47,750,670	39,271,462	38,123,455	52,333,878	80,603,660	636,952,221
2001	91,021,870	73,214,922	58,908,161	49,955,997	40,721,217	35,077,960	42,617,886	41,740,036	44,908,439	37,444,068	43,791,917	58,360,247	617,762,720
2002	78,260,679	67,472,016	63,215,739	48,528,582	36,829,364	35,479,277	45,813,717	52,078,799	39,840,922	32,688,453	58,646,687	63,341,560	622,195,795
2003	70,762,126	63,058,694	53,956,939	41,224,425	34,932,517	38,600,894	46,593,769	55,018,415	44,889,874	35,420,901	51,987,892	68,171,638	604,618,084
2004	95,569,316	71,372,409	54,426,955	40,932,070	33,583,837	33,298,806	-	-	-	-	-	-	329,183,393
<b>Small General Service</b>													
2000	10,327,838	10,294,603	9,149,904	8,893,444	8,079,908	9,364,062	10,216,771	10,773,560	9,700,366	8,453,173	9,120,443	11,230,283	115,604,355
2001	12,401,356	10,454,475	8,925,514	8,483,066	8,029,066	9,608,839	9,990,818	9,607,801	10,235,535	8,633,168	8,029,214	8,705,420	113,104,272
2002	10,860,168	9,969,483	9,221,086	8,300,231	8,419,787	8,474,471	10,265,193	11,127,703	9,441,276	7,873,235	9,692,456	9,481,912	113,127,001
2003	10,203,571	9,506,724	8,380,341	7,917,852	8,064,068	9,017,065	10,335,231	11,732,570	10,278,135	9,045,764	8,996,193	9,775,935	113,253,449
2004	12,521,729	10,268,574	8,801,447	8,294,850	7,972,369	8,582,655	-	-	-	-	-	-	56,441,624
<b>Medium General Service</b>													
2000	14,650,811	14,729,291	12,802,507	12,293,384	12,936,931	13,451,728	13,927,975	15,454,348	14,195,398	13,054,578	14,281,860	15,524,940	167,303,751
2001	16,862,881	14,196,557	13,146,436	12,215,766	10,912,449	14,791,026	14,134,507	14,486,312	15,073,913	14,024,866	13,467,585	12,987,345	166,299,643
2002	15,219,114	14,305,349	12,615,570	12,110,835	12,233,610	12,048,120	14,500,846	15,371,121	14,419,070	13,187,748	14,453,741	13,731,857	164,196,981
2003	14,670,276	13,786,639	12,186,646	12,499,460	12,552,754	13,284,301	14,906,673	16,861,962	15,746,309	14,596,668	13,923,680	14,989,550	170,004,918
2004	16,247,598	14,515,280	12,880,552	12,543,850	12,073,921	13,104,210	-	-	-	-	-	-	81,365,411
<b>Large General Service</b>													
2000	18,859,720	19,588,130	19,316,490	17,934,120	19,451,120	18,174,590	19,755,720	23,534,380	22,533,210	23,403,620	26,281,090	18,690,060	247,522,250
2001	15,321,540	17,980,560	19,059,350	17,106,110	17,498,120	16,662,760	18,285,980	21,244,950	21,303,360	20,658,930	20,972,940	14,857,440	220,952,040
2002	17,389,940	18,535,990	18,318,680	16,533,280	17,646,630	16,228,230	17,573,210	20,984,580	18,988,270	21,282,120	18,809,630	17,334,520	219,625,080
2003	19,076,960	17,749,220	16,524,100	16,650,260	17,240,150	15,807,410	19,963,880	22,359,660	21,462,830	22,569,920	16,938,490	18,455,720	225,798,600
2004	19,172,300	18,662,420	18,015,560	20,827,940	16,873,710	17,332,910	-	-	-	-	-	-	110,884,840
<b>Large Industrial</b>													
2000	19,761,000	17,426,400	19,932,100	18,612,400	19,007,800	19,004,200	19,886,500	20,021,300	19,636,500	18,435,800	19,529,000	9,659,800	220,912,800
2001	9,736,100	8,666,600	9,686,040	7,896,500	6,850,655	4,179,995	2,254,045	1,620,930	1,828,285	3,899,360	7,089,790	7,188,410	70,896,710
2002	7,362,595	6,518,175	6,986,630	6,689,140	7,580,455	6,135,370	6,370,470	6,958,120	3,271,250	6,994,135	8,827,215	6,857,015	80,550,570
2003	6,942,500	5,919,975	5,117,845	1,764,720	5,645,145	4,727,575	3,711,055	5,169,375	6,443,635	1,780,585	4,583,000	6,248,395	58,053,805
2004	6,057,145	6,013,565	5,538,360	3,837,395	5,915,950	6,022,880	-	-	-	-	-	-	33,385,295
<b>Small Irrigation</b>													
2000	(3,600)	200	280	327,627	1,511,442	2,764,503	2,667,404	3,470,924	2,923,061	2,093,174	1,262,195	(100,263)	16,916,947
2001	106	-	(14,503)	276,126	2,239,145	3,129,673	2,914,477	3,225,453	2,736,127	1,380,276	63,749	797	15,951,426
2002	333,006	-	12,708	1,273,046	2,089,637	2,566,704	3,330,247	3,019,841	2,305,221	1,154,279	22,298	12,080	16,119,067
2003	3,847	4	357,399	1,197,357	1,851,265	2,689,866	3,352,305	2,885,925	2,258,355	1,185,073	82,103	9,813	15,873,312
2004	29	253	500,338	1,360,889	1,700,350	2,503,239	-	-	-	-	-	-	6,065,098
<b>Large Irrigation</b>													
2000	183,487	157,441	3,244,028	26,268,185	55,034,177	71,147,005	93,918,051	79,295,787	26,909,253	11,058,807	1,575,624	44,574	368,836,419
2001	281,638	169,490	6,957,206	18,571,715	55,639,086	71,996,221	83,472,269	62,496,249	40,401,846	18,109,454	1,438,385	197,782	359,731,341
2002	114,190	227,752	5,135,865	30,386,862	51,862,096	69,064,935	87,188,165	69,075,099	33,598,654	15,815,839	3,731,555	230,484	366,431,496
2003	102,971	262,310	6,821,163	23,522,423	55,479,051	87,552,514	91,326,503	62,207,299	31,902,318	22,164,779	4,431,578	221,942	385,994,851
2004	166,433	194,653	8,752,704	30,241,420	52,964,489	70,703,250	-	-	-	-	-	-	163,022,949

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**  
**KWH SALES**  
**MONTHLY ACTIVITY**

	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Street Lights</b>													
2000	289,170	289,170	289,170	289,962	290,448	289,224	290,088	292,572	292,572	294,156	301,788	294,696	3,503,016
2001	296,766	298,206	298,458	298,566	293,508	294,568	295,274	294,568	295,627	288,917	282,559	310,462	3,547,479
2002	297,000	298,000	298,000	299,000	299,000	299,000	299,000	299,000	299,000	299,000	299,000	308,490	3,593,490
2003	315,366	316,194	316,086	316,356	315,816	316,752	317,094	316,950	317,976	320,928	319,074	318,318	3,806,910
2004	328,362	328,290	328,218	328,218	328,941	328,941	-	-	-	-	-	-	1,970,970
<b>Security Lights</b>													
2000	75,256	91,784	89,759	90,646	91,062	90,385	90,548	90,522	90,348	86,877	91,704	89,234	1,068,125
2001	88,861	88,761	87,266	86,810	91,462	91,792	92,013	91,792	92,123	90,031	88,050	96,745	1,085,706
2002	89,000	89,000	89,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	91,548	1,054,548
2003	91,422	91,530	91,422	91,134	90,918	90,918	90,918	90,882	91,062	91,008	91,188	91,224	1,093,626
2004	91,152	91,152	91,188	91,188	90,864	90,900	-	-	-	-	-	-	546,444
<b>Unmetered</b>													
2000	53,166	53,166	53,346	53,346	53,382	51,046	51,046	51,046	54,135	54,135	54,135	55,215	637,164
2001	55,389	55,389	55,389	55,461	53,684	53,684	53,684	53,684	53,684	53,684	53,684	53,684	651,100
2002	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	178,580	783,580
2003	182,879	182,879	182,878	182,878	184,606	184,750	184,750	188,824	190,120	195,662	195,663	197,736	2,253,625
2004	197,736	197,736	197,736	197,736	197,736	197,736	-	-	-	-	-	-	1,186,416
<b>Total</b>													
2000	143,035,905	135,586,713	124,799,157	134,457,763	151,746,452	172,568,892	204,739,061	200,735,109	135,606,305	115,057,775	124,831,717	136,092,199	1,779,257,048
2001	146,066,507	125,124,960	117,109,317	114,946,117	142,328,392	155,886,518	174,110,953	154,861,775	136,928,939	104,582,754	95,277,873	102,758,332	1,569,982,437
2002	129,980,692	117,470,765	115,948,278	124,262,976	137,102,579	150,438,107	185,482,848	179,056,263	122,305,663	99,436,809	114,624,582	111,568,046	1,587,677,608
2003	122,351,918	110,874,169	103,934,819	106,366,865	136,356,290	172,272,045	190,782,178	176,831,862	133,580,614	107,371,288	101,548,861	118,480,271	1,580,751,180
2004	150,351,800	121,644,332	109,533,058	118,655,556	131,702,167	152,165,527	-	-	-	-	-	-	784,052,440

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**  
**CAPITAL ADDITIONS AND RETIREMENTS**  
**CURRENT MONTH**

	BALANCE 5/31/04	ADDITIONS	RETIREMENTS	BALANCE 6/30/04
<b>INTANGIBLE PLANT:</b>				
Organizations	\$28,379	\$0	\$0	\$28,379
Franchises & Consents	322	-	-	322
Miscellaneous & Intangible Equipment	29,078	-	-	29,078
<b>TOTAL</b>	<b>57,780</b>	<b>-</b>	<b>-</b>	<b>57,780</b>
<b>GENERATION PLANT:</b>				
Land & Land Rights	8,286	-	-	8,286
Structures & Improvements	1,083,268	-	-	1,083,268
Fuel Holders & Accessories	543	-	-	543
Other Electric Generation	19,400,532	-	-	19,400,532
Accessory Electric Equipment	8,610	-	-	8,610
Miscellaneous Power Plant Equipment	103,069	-	-	103,069
<b>TOTAL</b>	<b>20,604,307</b>	<b>-</b>	<b>-</b>	<b>20,604,307</b>
<b>TRANSMISSION PLANT:</b>				
Land & Land Rights	153,959	-	-	153,959
Clearing Land & Right of Ways	10,521	-	-	10,521
Transmission Station Equipment	559,220	-	-	559,220
Towers & Fixtures	82,425	-	-	82,425
Poles & Fixtures	3,365,859	8,902	-	3,374,761
Overhead Conductor & Devices	2,855,319	4,070	-	2,859,389
<b>TOTAL</b>	<b>7,027,304</b>	<b>12,972</b>	<b>-</b>	<b>7,040,276</b>
<b>DISTRIBUTION PLANT:</b>				
Land & Land Rights	1,018,351	234	-	1,018,585
Structures & Improvements	228,831	-	-	228,831
Station Equipment	26,844,564	75,292	-	26,919,856
Poles, Towers & Fixtures	12,629,743	26,517	22,749	12,633,511
Overhead Conductor & Devices	8,865,343	9,576	330	8,874,589
Underground Conduit	20,639,862	99,978	-	20,739,839
Underground Conductor & Devices	26,345,599	63,732	4,336	26,404,994
Line Transformers	20,147,072	2,490	-	20,149,562
Services-Overhead	2,473,048	(797)	922	2,471,329
Services-Underground	11,917,135	45,159	576	11,961,718
Meters	4,101,242	12,257	-	4,113,499
Installations on Customer Premises	843,073	1,305	1,566	842,812
Street Lighting Equipment	1,026,840	(1,318)	236	1,025,286
SCADA System	1,161,023	-	-	1,161,023
<b>TOTAL</b>	<b>138,241,726</b>	<b>334,424</b>	<b>30,715</b>	<b>138,545,436</b>
<b>GENERAL PLANT:</b>				
Land & Land Rights	942,894	-	-	942,894
Structures & Improvements	14,040,205	-	-	14,040,205
Information Systems & Technology	5,251,656	-	-	5,251,656
Transportation Equipment	4,992,279	-	-	4,992,279
Stores Equipment	54,108	-	-	54,108
Tools, Shop & Garage Equipment	438,820	-	-	438,820
Laboratory Equipment	386,832	5,423	-	392,254
Communication Equipment	1,625,611	-	-	1,625,611
Broadband Equipment	4,207,969	58,218	-	4,266,187
Miscellaneous Equipment	41,984	-	-	41,984
Allowance for Funds Used During Construction	736,501	7,467	-	743,968
<b>TOTAL</b>	<b>32,718,859</b>	<b>71,108</b>	<b>-</b>	<b>32,789,967</b>
<b>TOTAL ELECTRIC PLANT ACCOUNTS</b>	<b>198,649,975</b>	<b>418,504</b>	<b>30,715</b>	<b>199,037,764</b>
<b>PLANT HELD FOR FUTURE USE</b>	<b>388,589</b>	<b>-</b>	<b>-</b>	<b>388,589</b>
<b>CONSTRUCTION WORK IN PROGRESS</b>	<b>1,292,747</b>	<b>288,012</b>	<b>-</b>	<b>1,580,760</b>
<b>TOTAL UTILITY PLANT BEFORE DEPRECIATION</b>	<b>200,331,312</b>	<b>706,516</b>	<b>30,715</b>	<b>201,007,113</b>
<b>CONSERVATION PROJECTS</b>	<b>1,063,769</b>	<b>1,449</b>	<b>36,053</b>	<b>1,029,165</b>
<b>TOTAL CAPITAL</b>	<b>\$201,395,081</b>	<b>\$707,966</b>	<b>\$66,768</b>	<b>\$202,036,278</b>

**\$988,254 Budget**

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**  
**CAPITAL ADDITIONS AND RETIREMENTS**  
**YEAR TO DATE**

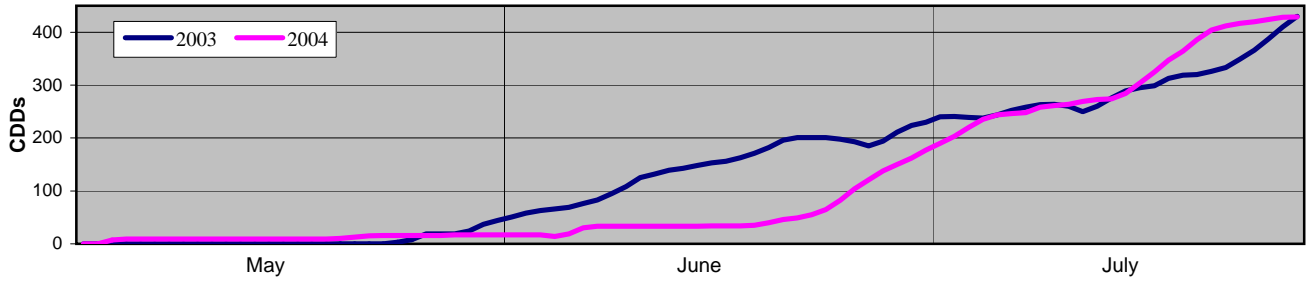
	BALANCE 12/31/03	ADDITIONS	RETIREMENTS	BALANCE 6/30/04
<b>INTANGIBLE PLANT:</b>				
Organizations	\$28,379	\$0	\$0	\$28,379
Franchises & Consents	322	-	-	322
Miscellaneous & Intangible Equipment	29,078	-	-	29,078
<b>TOTAL</b>	<b>57,780</b>	<b>-</b>	<b>-</b>	<b>57,780</b>
<b>GENERATION PLANT:</b>				
Land & Land Rights	17,611	(9,326)	-	8,286
Structures & Improvements	1,083,268	-	-	1,083,268
Fuel Holders & Accessories	543	-	-	543
Other Electric Generation	19,400,532	-	-	19,400,532
Accessory Electric Equipment	8,610	-	-	8,610
Miscellaneous Power Plant Equipment	103,069	-	-	103,069
<b>TOTAL</b>	<b>20,613,632</b>	<b>(9,326)</b>	<b>-</b>	<b>20,604,307</b>
<b>TRANSMISSION PLANT:</b>				
Land & Land Rights	153,959	-	-	153,959
Clearing Land & Right of Ways	10,521	-	-	10,521
Transmission Station Equipment	559,220	-	-	559,220
Towers & Fixtures	82,425	-	-	82,425
Poles & Fixtures	3,368,079	9,494	2,812	3,374,761
Overhead Conductor & Devices	2,851,098	18,589	10,298	2,859,389
<b>TOTAL</b>	<b>7,025,303</b>	<b>28,083</b>	<b>13,110</b>	<b>7,040,276</b>
<b>DISTRIBUTION PLANT:</b>				
Land & Land Rights	1,016,057	2,527	-	1,018,585
Structures & Improvements	228,831	-	-	228,831
Station Equipment	26,191,768	728,089	-	26,919,856
Poles, Towers & Fixtures	12,412,589	272,712	51,790	12,633,511
Overhead Conductor & Devices	8,798,822	91,342	15,575	8,874,589
Underground Conduit	20,362,269	399,051	21,481	20,739,839
Underground Conductor & Devices	26,079,138	470,751	144,896	26,404,994
Line Transformers	19,920,526	229,036	-	20,149,562
Services-Overhead	2,462,379	18,895	9,945	2,471,329
Services-Underground	11,679,952	294,420	12,654	11,961,718
Meters	4,056,594	56,905	-	4,113,499
Installations on Customer Premises	841,309	6,495	4,993	842,812
Street Lighting Equipment	1,024,234	4,162	3,110	1,025,286
SCADA System	1,119,914	41,110	-	1,161,023
<b>TOTAL</b>	<b>136,194,382</b>	<b>2,615,496</b>	<b>264,443</b>	<b>138,545,436</b>
<b>GENERAL PLANT:</b>				
Land & Land Rights	942,894	-	-	942,894
Structures & Improvements	14,020,873	19,331	-	14,040,205
Information Systems & Technology	5,158,125	93,531	-	5,251,656
Transportation Equipment	5,064,017	59,095	130,833	4,992,279
Stores Equipment	54,108	-	-	54,108
Tools, Shop & Garage Equipment	438,820	-	-	438,820
Laboratory Equipment	386,832	5,423	-	392,254
Communication Equipment	1,625,734	(123)	-	1,625,611
Broadband Equipment	2,992,730	1,273,457	-	4,266,187
Miscellaneous Equipment	41,984	-	-	41,984
Allowance for Funds Used During Construction	705,002	38,966	-	743,968
<b>TOTAL</b>	<b>31,431,119</b>	<b>1,489,680</b>	<b>130,833</b>	<b>32,789,967</b>
<b>TOTAL ELECTRIC PLANT ACCOUNTS</b>	<b>195,322,217</b>	<b>4,123,933</b>	<b>408,386</b>	<b>199,037,764</b>
<b>PLANT HELD FOR FUTURE USE</b>	<b>388,589</b>	<b>-</b>	<b>-</b>	<b>388,589</b>
<b>CONSTRUCTION WORK IN PROGRESS</b>	<b>2,297,375</b>	<b>(716,615)</b>	<b>-</b>	<b>1,580,760</b>
<b>TOTAL UTILITY PLANT BEFORE DEPRECIATION</b>	<b>198,008,181</b>	<b>3,407,318</b>	<b>408,386</b>	<b>201,007,113</b>
<b>CONSERVATION PROJECTS</b>	<b>1,189,760</b>	<b>55,723</b>	<b>216,318</b>	<b>1,029,165</b>
<b>TOTAL CAPITAL</b>	<b>\$199,197,941</b>	<b>\$3,463,041</b>	<b>\$624,704</b>	<b>\$202,036,278</b>
	<b>\$5,922,572 Budget</b>			

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY  
STATEMENT OF CASH FLOWS**

	YTD 6/30/2004	Monthly 6/30/2004
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers and Counterparties	\$67,499,613	\$13,514,690
Cash Paid to Suppliers, Employees, and Counterparties	(46,721,854)	(11,682,378)
Taxes Paid	(6,602,263)	(571,821)
<b>Net Cash Provided by Operating Activities</b>	<b>14,175,496</b>	<b>1,260,491</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of Capital Assets	(3,272,367)	(679,759)
Bond Issue Costs	-	-
Bond Principal Paid	(2,137,500)	(356,250)
Bond Interest Paid	(2,058,949)	(277,033)
Deferred Conservation Costs	(55,725)	(1,451)
Contributions in Aid of Construction	1,093,570	367,158
Sale of Assets	30,577	10,106
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>(6,400,393)</b>	<b>(937,229)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Income	130,460	21,497
Proceeds from Sale of Investments	21,452,195	3,523,193
Purchase of Investments	(28,207,167)	(3,521,499)
Joint Venture Net Revenue (Expense)	(230,386)	(40,519)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(6,854,898)</b>	<b>(17,328)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>920,205</b>	<b>305,934</b>
<b>CASH BALANCE, BEGINNING OF YEAR</b>	<b>3,146,688</b>	<b>3,760,958</b>
<b>CASH BALANCE, END OF YEAR</b>	<b>\$4,066,893</b>	<b>\$4,066,893</b>
<b>RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Net Operating Revenues	\$4,297,199	\$171,796
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation & Amortization	4,627,539	771,256
Unbilled Revenues	1,600,000	(273,000)
Decrease (Increase) in Accounts Receivable	3,262,780	1,268,534
Decrease (Increase) in Notes Receivable	-	-
Decrease (Increase) in Inventories	(447,074)	51,796
Decrease (Increase) in Prepaid Expenses	(262,095)	2,311
Decrease (Increase) in Accrued Electric Revenue	(127,458)	(744,191)
Decrease (Increase) in Miscellaneous Assets	188,004	34,391
Decrease (Increase) in Deferred Purchased Power Expense	280,379	10,572
Decrease (Increase) in Deferred Regulatory Charges	75,745	(38,268)
Increase (Decrease) in Deferred Regulatory Credits	(299,665)	(299,665)
Increase (Decrease) in Warrants Outstanding	128,444	269,632
Increase (Decrease) in Accounts Payable	2,139,440	(82,816)
Increase (Decrease) in Accrued Taxes Payable	(1,108,749)	212,536
Increase (Decrease) in Customer Deposits	(43,752)	6,838
Increase (Decrease) in Other Current Liabilities	(60,258)	(25,788)
Increase (Decrease) in Deferred Credits	(74,983)	(75,443)
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$14,175,496</b>	<b>\$1,260,491</b>

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY  
WEATHER STATISTICS  
JUNE 30, 2004**

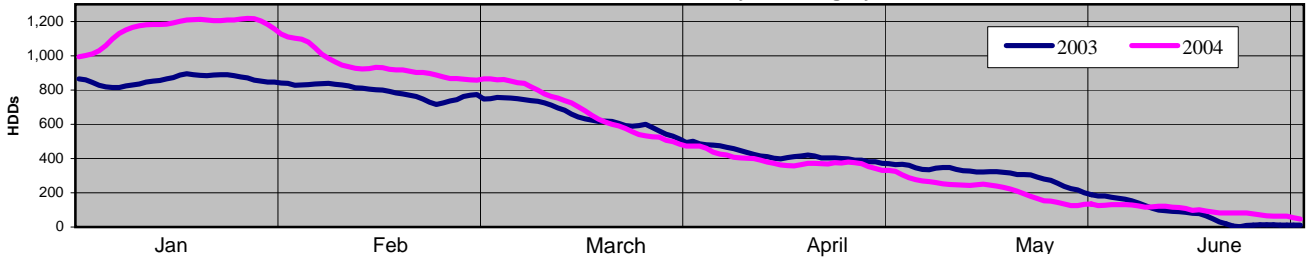
**Cumulative CDDs for Each Day of Billing Cycle**



**CDDs**

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2004	-	-	-	-	17	203							220
2003	-	-	-	-	58	234	475	358	174	32	-	-	1,331
2002	-	-	-	1	28	224	456	327	94	1	-	-	1,131
2001	-	-	-	7	98	100	343	390	150	4	-	-	1,092
2000	-	-	-	1	25	185	335	282	74	1	-	-	903

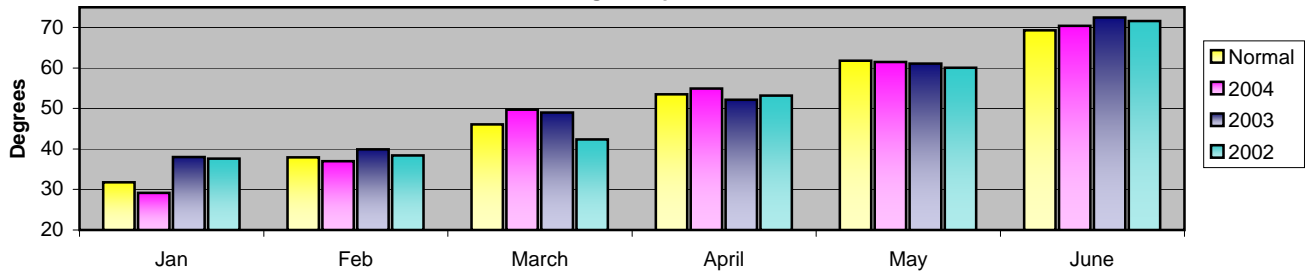
**Cumulative HDDs for Each Day of Billing Cycle**



**HDDs**

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2004	1,110	818	473	304	127	41							2,873
2003	838	705	500	381	181	12	-	-	47	271	814	993	4,742
2002	854	745	698	359	181	28	1	1	54	454	714	865	4,954
2001	981	820	562	411	138	56	-	-	30	363	669	936	4,966
2000	995	760	630	288	143	35	8	1	115	400	931	1,093	5,399

**Average Temperature**



**Average Temperature**

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Annual
Normal	31.8	37.9	46.1	53.5	61.8	69.3	76.3	75.4	65.9	53.0	40.1	31.7	53.6
2004	29.2	37.0	49.7	54.9	61.5	70.4							
2003	38.0	39.9	49.0	52.2	61.1	72.5	80.2	76.5	69.2	57.4	37.8	32.9	55.6
2002	37.6	38.4	42.4	53.2	60.1	71.6	79.6	75.5	66.3	50.4	41.0	37.2	54.4
2001	33.4	35.7	46.8	51.4	63.7	66.5	76.0	77.7	69.0	53.5	42.8	34.9	54.3
2000	32.9	38.7	44.7	55.4	61.2	69.9	75.5	74.0	63.6	52.1	34.0	29.7	52.6

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY  
BROADBAND SUMMARY**

JUNE 30, 2004

**June Highlights**

The two fixed wireless sites at Canyon Lakes and Thompson Hill were installed, but final testing was moved into early July due to the holiday weekend. A letter of intent between Benton PUD and the Kennewick Public Facilities District will become a formal agreement for Benton to develop a Wi-Fi environment in both the new Three Rivers Convention Center and the Coliseum that can be used by all RSP groups during events at those facilities. The Business Plan for broadband is being reviewed. The Broadband Strategic Team met to consider the next process for going forward. Under consideration is both more fixed wireless sites and broadband over power lines.

<b>Operating Activity</b>	<b>2004</b>	<b>A C T U A L S</b>							<b>Budget</b>
	<b>Budget</b>	<b>Jan</b>	<b>Feb</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>YTD</b>	<b>Variance</b>
<b>OPERATING REVENUES</b>	<b>\$375,000</b>								
Fiber	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ethernet	-	5,357	5,257	7,139	6,811	7,607	8,165	40,336	40,336
TDM	-	1,247	-	1,247	1,247	1,247	2,494	7,482	7,482
Wireless	-	1,184	(611)	503	1,183	838	641	3,738	3,738
Internet Transport Service	-	-	435	335	335	335	2,682	4,122	4,122
<i>Total Operating Revenues</i>	<b>375,000</b>	7,788	5,081	9,224	9,576	10,027	13,982	55,678	55,678
<b>OPERATING EXPENSES</b>	<b>497,159</b>								
Marketing & Business Development	-	2,005	7,567	12,682	13,596	8,199	10,105	54,154	(54,154)
General Expenses	-	1,598	2,262	1,189	3,958	1,130	817	10,954	(10,954)
Other Maintenance	-	1,297	17,674	1,967	2,960	8,399	2,929	35,226	(35,226)
NOC Maintenance	-	-	-	1,638	-	-	-	1,638	(1,638)
Wireless Maintenance	-	-	-	942	844	2,990	22,646	27,423	(27,423)
Depreciation	147,000	16,596	16,596	16,596	16,596	16,596	16,596	99,575	47,425
<i>Total Operating Expenses</i>	<b>644,159</b>	21,495	44,099	35,014	37,954	37,314	53,093	228,970	(81,970)
<b>OPERATING INCOME (LOSS)</b>	<b>(269,159)</b>	(13,707)	(39,019)	(25,790)	(28,378)	(27,287)	(39,111)	(173,291)	95,868
<b>NONOPERATING EXPENSES</b>									
Internal Interest due to Power Business Unit*	(236,930)	(21,764)	(23,215)	(23,191)	(23,435)	(24,543)	(23,113)	(139,261)	97,669
<b>CAPITAL CONTRIBUTIONS</b>	-	235	-	-	-	-	7,965	8,201	8,201
<b>INTERNAL NET INCOME (LOSS)</b>	<b>(\$506,089)</b>	(\$35,235)	(\$62,234)	(\$48,981)	(\$51,813)	(\$51,830)	(\$54,259)	(\$304,351)	\$201,738
<b>EXTERNAL COSTS</b>									
NoaNet Member Assessments	431,500	\$0	\$54,415	\$54,415	\$40,519	\$40,519	\$40,519	\$230,386	\$201,114
* Interest budget is per Broadband Business Plan									
<b>Capital Activity</b>	<b>2004</b>	<b>A C T U A L S</b>							<b>Budget</b>
	<b>Budget</b>	<b>Jan</b>	<b>Feb</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>YTD</b>	<b>Variance</b>
<b>CAPITAL EXPENDITURES</b>	<b>\$2,077,855</b>	\$43,754	\$54,468	\$56,910	\$67,694	\$117,036	\$84,773	\$424,636	\$1,653,219