



FINANCIAL STATEMENTS

AUGUST 2008

(Unaudited)

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Financial Highlights August 2008



Issue date: 9/19/08

Financial highlights for the month of August:

- District operations resulted in an increase in net assets of \$223,000 for the month bringing year-to-date net income to \$7.4 million.
- A budget amendment was approved by the Commission on August 26. The year-to-date impact of the budget amendment is reflected in the financial statements in the month of August. This distorts budget comparisons for the month, but year-to-date comparisons are meaningful.
- The temporary rate credit implemented in June returned \$562,000 to customers in August as a result of the BPA Residential Exchange settlement.
- The average temperature of 74.7° was 0.7° below normal, but 0.8° warmer than last August. Despite warmer temperatures, timing caused cumulative cooling degree days for the billing cycle to be down 14% from last year.
- Total retail kWh billed during August was down 1% from last year.
- Net power supply costs were \$5.3 million for the month with sales for resale of \$4 million and an average price of \$70 per MWh.
- Year-to-date financial results:
 - Retail revenues are on target with the amended budget.
 - Net power costs are 1% below the amended budget.
 - Non-power operating costs before taxes and depreciation are below the amended budget by 4%.
 - Capital expenditures of \$6 million are below budget by \$2.5 million or 30%.

(in thousands of dollars)

Change in Net Assets	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug ⁽¹⁾	Sep	Oct	Nov	Dec	Total	Amended Budget
Actual	\$1,758	\$1,477	\$1,523	(\$1,609)	\$362	\$1,616	\$2,029	\$223					\$7,380	
Budget	\$1,210	\$161	\$683	(\$11)	(\$29)	\$735	\$1,300	\$1,777					\$5,827	\$5,494

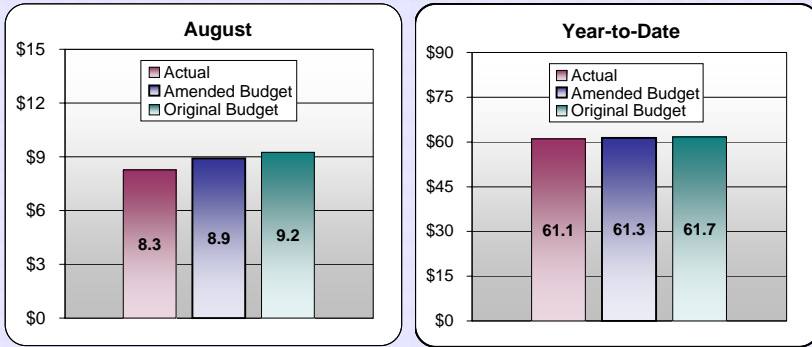
(1) The cumulative YTD impact of budget amendments approved at the August 26 Commission meeting are reflected in the August report.

Net Power Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Amended Budget
Power Supply Costs	\$9,219	\$8,960	\$9,581	\$12,320	\$7,159	\$5,679	\$8,891	\$9,283					\$71,092	\$81,770
Less: Sales for Resale	(5,502)	(5,822)	(6,072)	(6,448)	(3,849)	(2,620)	(5,024)	(4,005)					(39,342)	(34,906)
Net Power Costs	\$3,717	\$3,138	\$3,508	\$5,872	\$3,311	\$3,059	\$3,867	\$5,278					\$31,750	\$46,864

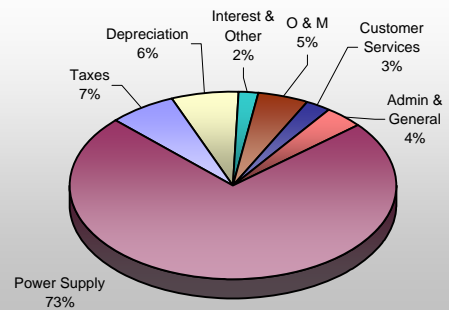
Net Capital Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Amended Budget
Capital Expenditures	\$474	\$618	\$876	\$884	\$773	\$799	\$907	\$637					\$5,967	\$13,952
Less: Capital Contributions	(31)	(243)	(121)	(197)	(278)	(203)	(231)	(55)					(1,359)	(2,533)
Net Capital Costs	\$443	\$375	\$755	\$687	\$495	\$595	\$676	\$582					\$4,608	\$11,419

Load Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Amended Budget
aMW - Retail Sales	176	188	148	182	192	228	262	235					202	187
aMW - Sales for Resale	97	119	112	103	107	130	90	73					104	73

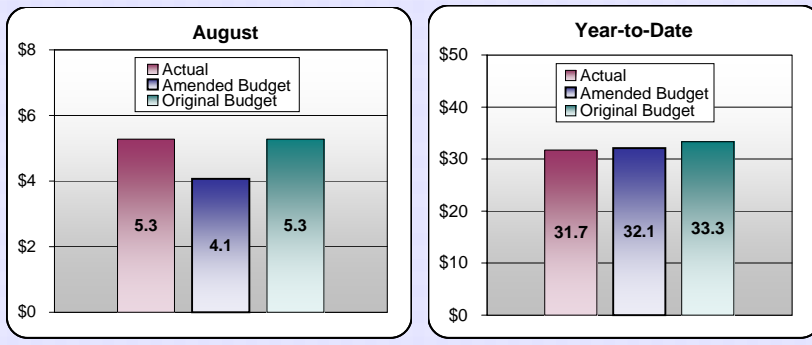
Total Retail Revenue
(in millions of dollars)



Total Expenses



Net Power Supply Costs
(in millions of dollars)



Key Ratios

Current Ratio	3.61 : 1
Debt Service Coverage (2005 actual)	3.17
Debt Service Coverage (2006 actual)	2.97
Debt Service Coverage (2007 actual)	4.12
Debt Service Coverage (2008 budget)	3.31
<i>(includes capital contributions)</i>	

Other Statistics

Unrestricted Undesignated Reserves	\$ 41.2 million
Rate Stabilization Account (designated)	\$ 5.1 million
Bond Principal & Interest (restricted)	\$ 2.9 million
Net Utility Plant	\$ 109.3 million
Long-Term Debt	\$ 56.5 million
Active Service Agreements*	46,693
Employees (FTE's)	152

** Effective January 2008, meters with a "pending stop" status are included in this count resulting in a one-time increase of 252.*

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

	8/31/2008			8/31/2007	
	ACTUAL	AMENDED BUDGET*	PCT VAR	ACTUAL	PCT VAR
OPERATING REVENUES					
Energy Sales - Retail	\$8,271,722	\$8,908,740	-7%	\$8,462,308	-2%
Energy Sales for Resale	3,990,427	3,726,754	7%	3,029,650	32%
Transmission of Power for Others	14,445	-	n/a	15,200	-5%
Broadband Revenue	73,041	72,273	1%	62,200	17%
Other Revenue	94,929	102,584	-7%	117,652	-19%
TOTAL OPERATING REVENUES	12,444,564	12,810,351	-3%	11,687,010	6%
OPERATING EXPENSES					
Purchased Power	8,422,253	6,749,994	25%	7,585,879	11%
Purchased Transmission & Ancillary Services	833,844	868,317	-4%	856,936	-3%
Generation	-	-	n/a	7,082	n/a
Conservation Program	26,976	173,440	-84%	(38,016)	-171%
Total Power Supply	9,283,073	7,791,751	19%	8,411,881	10%
Transmission Operation & Maintenance	408	2,779	-85%	442	-8%
Distribution Operation & Maintenance	528,819	533,544	-1%	536,050	-1%
Broadband Expense	58,919	65,786	-10%	53,126	11%
Customer Accounting, Collection & Information	294,650	381,046	-23%	318,173	-7%
Administrative & General	368,228	431,398	-15%	368,276	0%
Subtotal before Taxes & Depreciation	1,251,023	1,414,554	-12%	1,276,067	-2%
Taxes	814,703	983,698	-17%	900,492	-10%
Depreciation & Amortization	782,281	819,454	-5%	805,865	-3%
Total Other Operating Expenses	2,848,007	3,217,706	-11%	2,982,424	-5%
TOTAL OPERATING EXPENSES	12,131,079	11,009,456	10%	11,394,305	6%
OPERATING INCOME (LOSS)	313,485	1,800,895	-83%	292,705	7%
NONOPERATING REVENUES & EXPENSES					
Interest Income	92,631	125,000	-26%	167,862	-45%
Other Income	25	208	-88%	213	-88%
Other Expense	(460)	-	n/a	-	n/a
Interest Expense	(203,856)	(204,758)	0%	(218,166)	-7%
Debt Discount & Expense Amortization	(3,402)	(4,163)	-18%	1,107	n/a
Loss in Joint Ventures/Special Assessments	(30,133)	(30,133)	0%	(36,250)	-17%
TOTAL NONOPERATING REVENUES & EXPENSES	(145,194)	(113,846)	28%	(85,235)	70%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS & EXTRAORDINARY ITEMS	168,291	1,687,049	-90%	207,470	-19%
CAPITAL CONTRIBUTIONS	54,932	90,244	-39%	311,625	-82%
EXTRAORDINARY ITEMS	-	-	n/a	-	n/a
CHANGE IN NET ASSETS	\$223,222	\$1,777,293	-87%	\$519,096	-57%

* The budget reflected in the August financial statements includes the budget amendments approved by the Commission at the August 26 meeting. The cumulative year-to-date impact of the revised budget for retail revenues, gross power costs, and operating expenses is reflected in the current month of August.

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

	8/31/2008			8/31/2007	
	ACTUAL	AMENDED BUDGET*	PCT VAR	ACTUAL	PCT VAR
OPERATING REVENUES					
Energy Sales - Retail	\$61,062,221	\$61,324,408	0%	\$63,321,398	-4%
Energy Sales for Resale	39,224,007	23,735,438	65%	28,900,542	36%
Transmission of Power for Others	118,047	-	n/a	128,207	-8%
Broadband Revenue	556,115	578,184	-4%	474,960	17%
Other Revenue	1,060,183	1,089,561	-3%	1,303,828	-19%
TOTAL OPERATING REVENUES	102,020,572	86,727,591	18%	94,128,935	8%
OPERATING EXPENSES					
Purchased Power	64,088,390	48,746,663	31%	53,741,360	19%
Purchased Transmission & Ancillary Services	7,131,324	6,869,045	4%	6,615,130	8%
Generation	-	-	n/a	147,449	n/a
Conservation Program	(128,053)	220,851	-158%	(226,907)	-44%
Total Power Supply	71,091,661	55,836,558	27%	60,277,033	18%
Transmission Operation & Maintenance	12,266	22,234	-45%	14,130	-13%
Distribution Operation & Maintenance	4,461,266	4,441,428	0%	4,221,506	6%
Broadband Expense	433,733	530,681	-18%	474,751	-9%
Customer Accounting, Collection & Information	2,522,608	2,775,263	-9%	2,411,243	5%
Administrative & General	3,667,939	3,850,115	-5%	3,437,916	7%
Subtotal before Taxes & Depreciation	11,097,812	11,619,722	-4%	10,559,547	5%
Taxes	6,558,088	6,700,072	-2%	6,656,158	-1%
Depreciation & Amortization	6,238,064	6,555,632	-5%	6,846,917	-9%
Total Other Operating Expenses	23,893,964	24,875,426	-4%	24,062,622	-1%
TOTAL OPERATING EXPENSES	94,985,625	80,711,984	18%	84,339,655	13%
OPERATING INCOME (LOSS)	7,034,948	6,015,607	17%	9,789,280	-28%
NONOPERATING REVENUES & EXPENSES					
Interest Income	865,213	1,000,000	-13%	1,115,857	-22%
Other Income	37,227	1,664	n/a	7,100	n/a
Other Expense	(460)	-	n/a	-	n/a
Interest Expense	(1,648,451)	(1,638,067)	1%	(1,713,003)	-4%
Debt Discount & Expense Amortization	(27,217)	(33,304)	-18%	(15,379)	77%
Loss in Joint Ventures/Special Assessments	(241,064)	(241,067)	0%	(290,000)	-17%
TOTAL NONOPERATING REVENUES & EXPENSES	(1,014,752)	(910,774)	11%	(895,424)	13%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS & EXTRAORDINARY ITEMS	6,020,196	5,104,832	18%	8,893,856	-32%
CAPITAL CONTRIBUTIONS	1,359,368	721,952	88%	1,978,377	-31%
EXTRAORDINARY ITEMS	-	-	n/a	(9,755,303)	n/a
CHANGE IN NET ASSETS	7,379,564	5,826,784	27%	1,116,930	n/a
NET ASSETS, BEGINNING OF YEAR	94,608,188	94,608,188	0%	90,573,429	4%
NET ASSETS, END OF YEAR	\$101,987,752	\$100,434,972	2%	\$91,690,359	11%

* The budget reflected in the August financial statements includes the budget amendments approved by the Commission at the August 26 meeting.

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
OPERATING REVENUES													
Energy Sales - Retail	\$8,217,009	\$7,420,879	\$7,575,983	\$7,203,203	\$6,233,247	\$7,325,230	\$8,814,948	\$8,271,722					\$61,062,221
Energy Sales for Resale	5,486,540	5,807,158	6,056,917	6,432,714	3,833,633	2,606,546	5,010,072	3,990,427					39,224,007
Transmission of Power for Others	15,200	15,200	15,200	15,200	15,200	13,856	13,746	14,445					118,047
Broadband Revenue	67,736	67,556	69,798	67,934	69,372	69,534	71,145	73,041					556,116
Other Electric Revenue	362,034	109,134	134,723	92,054	78,221	102,505	86,582	94,929					1,060,182
TOTAL OPERATING REVENUES	14,148,519	13,419,927	13,852,621	13,811,105	10,229,673	10,117,671	13,996,493	12,444,564	-	-	-	-	102,020,573
OPERATING EXPENSES													
Purchased Power	8,405,727	8,149,564	8,702,360	11,419,062	6,351,793	4,699,792	7,937,840	8,422,253					64,088,391
Purchased Transmission & Ancillary Services	860,265	845,575	901,033	929,894	801,508	1,002,857	956,349	833,844					7,131,325
Generation	691	380	(1,071)	-	-	-	-	-					
Conservation Program	(47,739)	(35,444)	(21,785)	(29,041)	6,159	(23,730)	(3,449)	26,976					(128,053)
Total Power Supply	9,218,944	8,960,075	9,580,537	12,319,915	7,159,460	5,678,919	8,890,740	9,283,073	-	-	-	-	71,091,663
Transmission Operation & Maintenance	1,202	1,887	1,103	1,632	1,198	4,347	490	408					12,267
Distribution Operation & Maintenance	525,786	528,281	456,704	659,465	660,028	493,101	609,082	528,819					4,461,266
Broadband Expense	51,245	53,187	66,573	51,848	50,061	49,393	52,507	58,919					433,733
Customer Accounting, Collection & Information	310,380	289,646	309,576	331,462	330,481	326,703	329,711	294,650					2,522,609
Administrative & General	486,640	511,081	303,014	489,157	426,250	511,024	572,545	368,228					3,667,939
Subtotal before Taxes & Depreciation	1,375,253	1,384,082	1,136,970	1,533,564	1,468,018	1,384,568	1,564,335	1,251,024	-	-	-	-	11,097,814
Taxes	962,503	946,908	816,784	759,907	701,315	720,587	835,381	814,703					6,558,088
Depreciation & Amortization	774,017	774,017	788,399	775,841	779,272	781,584	782,653	782,281					6,238,064
Total Other Operating Expenses	3,111,773	3,105,007	2,742,153	3,069,312	2,948,605	2,886,739	3,182,369	2,848,008	-	-	-	-	23,893,966
TOTAL OPERATING EXPENSES	12,330,717	12,065,082	12,322,690	15,389,227	10,108,065	8,565,658	12,073,109	12,131,081	-	-	-	-	94,985,629
OPERATING INCOME (LOSS)	1,817,802	1,354,845	1,529,931	(1,578,122)	121,608	1,552,013	1,923,384	313,483	-	-	-	-	7,034,944
NONOPERATING REVENUES & EXPENSES													
Interest Income	143,924	119,635	112,867	10,210	201,491	84,404	100,053	92,631					865,215
Other Income	5,619	38	8	2,723	28	16,177	12,609	25					37,227
Other Expense	-	-	-	-	-	-	-	(460)					(460)
Interest Expense	(206,743)	(206,964)	(206,933)	(206,949)	(206,287)	(205,925)	(204,797)	(203,856)					(1,648,454)
Debt Discount & Expense Amortization	(3,402)	(3,402)	(3,402)	(3,402)	(3,402)	(3,402)	(3,402)	(3,402)					(27,216)
Loss in Joint Ventures/Special Assessments	(30,133)	(30,133)	(30,133)	(30,133)	(30,133)	(30,133)	(30,133)	(30,133)					(241,064)
TOTAL NONOPERATING REV/EXP	(90,735)	(120,826)	(127,593)	(227,551)	(38,303)	(138,879)	(125,670)	(145,195)	-	-	-	-	(1,014,752)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,727,067	1,234,019	1,402,338	(1,805,673)	83,305	1,413,134	1,797,714	168,288	-	-	-	-	6,020,192
CAPITAL CONTRIBUTIONS	30,897	242,904	121,059	196,816	278,377	203,356	231,028	54,932					1,359,369
CHANGE IN NET ASSETS	\$1,757,964	\$1,476,923	\$1,523,397	(\$1,608,857)	\$361,682	\$1,616,490	\$2,028,742	\$223,220	\$0	\$0	\$0	\$0	\$7,379,561

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

	8/31/2008	8/31/2007	Increase/(Decrease)	
			Amount	Percent
CURRENT ASSETS				
Cash & Working Funds	\$1,589,220	\$3,177,699	(\$1,588,478)	
Temporary Investments	44,707,234	26,533,605	18,173,630	
Bond Fund Principal & Interest	2,917,527	4,341,734	(1,424,207)	
Construction Account	-	3,671,990	(3,671,990)	
Notes Receivable, City of Richland	650,000	650,000	-	
Accounts Receivable, net	11,995,915	13,386,666	(1,390,751)	
Accrued Unbilled Revenue	2,229,000	2,185,000	44,000	
Inventory Materials & Supplies	2,834,112	2,878,151	(44,039)	
Prepayments	119,613	156,324	(36,711)	
Accrued Electric Revenue	3,258,217	2,798,737	459,480	
Total Current Assets	70,300,838	59,779,905	10,520,933	18%
NONCURRENT ASSETS				
Bond Reserve	-	812,537	(812,537)	
Other Receivables	-	650,000	(650,000)	
Ownership Interest in GHFB, LLP	66,514	189,500	(122,986)	
Unamortized Debt Expense	720,480	827,635	(107,155)	
Preliminary Surveys	239,350	158,478	80,872	
Deferred Regulatory Charges	1,252,879	306,212	946,667	
Deferred Purchased Power Costs	1,634,836	1,694,892	(60,056)	
Deferred Conservation Costs	-	184,688	(184,688)	
Other Deferred Charges	(207,432)	(163,820)	(43,612)	
	3,706,628	4,660,122	(953,495)	-20%
Utility Plant				
Land and Intangible Plant	3,021,822	2,923,160	98,662	
Electric Plant in Service	211,464,991	200,530,914	10,934,077	
Construction Work in Progress	4,853,018	5,373,801	(520,783)	
Accumulated Depreciation	(110,005,332)	(101,427,617)	(8,577,715)	
Net Utility Plant	109,334,500	107,400,259	1,934,241	2%
Total Noncurrent Assets	113,041,127	112,060,381	980,747	1%
TOTAL ASSETS	\$183,341,965	\$171,840,286	\$11,501,680	7%

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

	8/31/2008	8/31/2007	Increase/(Decrease)	
			Amount	Percent
CURRENT LIABILITIES				
Warrants Outstanding	\$209,458	\$316,608	(\$107,150)	
Accounts Payable	10,392,099	9,632,377	759,721	
Customer Deposits	1,222,443	1,389,014	(166,571)	
Accrued Taxes Payable	1,925,821	2,046,229	(120,407)	
Other Current & Accrued Liabilities	2,385,818	3,133,180	(747,362)	
Accrued Interest Payable	905,027	970,901	(65,874)	
Revenue Bonds, Current Portion	2,415,000	4,045,000	(1,630,000)	
Total Current Liabilities	19,455,665	21,533,309	(2,077,644)	-10%
NONCURRENT LIABILITIES				
2001 Bond Issue	27,800,000	29,270,000	(1,470,000)	
2002 Bond Issue	17,305,000	17,305,000	-	
2005 Bond Issue	8,290,000	9,235,000	(945,000)	
Unamortized Premium & Discount	1,031,925	1,178,454	(146,529)	
Unamortized Loss on Defeased Debt	(347,147)	(419,877)	72,730	
Deferred Revenue	473,521	502,462	(28,941)	
Deferred Regulatory Credits	5,946,581	1,051,295	4,895,286	
Other Liabilities	1,398,669	494,284	904,385	
Total Noncurrent Liabilities	61,898,548	58,616,617	3,281,931	6%
Total Liabilities	81,354,214	80,149,926	1,204,287	2%
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	54,852,222	54,642,042	210,179	
Unrestricted	47,135,530	37,048,317	10,087,213	
Total Net Assets	101,987,752	91,690,359	10,297,392	11%
TOTAL NET ASSETS AND LIABILITIES	\$183,341,965	\$171,840,286	\$11,501,680	7%
CURRENT RATIO: (Current Assets / Current Liabilities)	3.61:1	2.78:1		
WORKING CAPITAL: (Current Assets less Current Liabilities)	\$50,845,173	\$38,246,596	\$12,598,577	33%

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

	8/31/2008			8/31/2007	
	ACTUAL	AMENDED BUDGET	PCT VAR	ACTUAL	PCT VAR
ENERGY SALES RETAIL - REVENUE					
Residential	\$3,189,393	\$4,109,850	-22%	\$3,459,151	-8%
Small General Service	586,015	616,746	-5%	646,040	-9%
Medium General Service	676,113	769,250	-12%	766,001	-12%
Large General Service	789,760	184,129	329%	1,031,381	-23%
Large Industrial	168,455	186,301	-10%	145,459	16%
Small Irrigation	107,628	128,108	-16%	122,830	-12%
Large Irrigation	2,128,649	2,163,531	-2%	2,390,197	-11%
Street Lights	32,726	34,941	-6%	33,746	-3%
Security Lights	16,220	15,664	4%	16,295	0%
Unmetered Accounts	11,565	12,243	-6%	11,968	-3%
Billed Revenues Before Taxes	\$7,706,524	\$8,220,762	-6%	\$8,623,068	-11%
City Occupation Taxes	335,198	458,903	-27%	371,240	-10%
Bad Debt Expense (reduced from .4% to .3% of retail sales in July 2007)	(24,000)	(24,925)	-4%	(27,000)	-11%
Unbilled Revenue	254,000	254,000	0%	(505,000)	-150%
TOTAL SALES - REVENUE	\$8,271,722	\$8,908,740	-7%	\$8,462,308	-2%
ENERGY SALES RETAIL - kWh					
Residential	53,086,233	71,828,773	-26%	52,021,292	2%
Small General Service	11,367,126	12,778,084	-11%	11,015,807	3%
Medium General Service	15,932,980	19,235,486	-17%	15,584,811	2%
Large General Service	19,451,300	8,649,615	125%	22,345,980	-13%
Large Industrial	4,346,100	4,498,557	-3%	3,079,455	41%
Small Irrigation	2,914,757	4,252,452	-31%	2,997,827	-3%
Large Irrigation	66,771,307	75,234,107	-11%	67,897,125	-2%
Street Lights	351,007	284,071	24%	344,721	2%
Security Lights	86,814	82,726	5%	85,338	2%
Unmetered Accounts	237,134	249,413	-5%	237,356	0%
TOTAL kWh SOLD	174,544,758	197,093,283	-11%	175,609,712	-1%
NET POWER COST					
BPA Power Costs					
Slice	\$2,507,334	\$2,150,341	17%	\$2,690,276	-7%
Block	2,126,126	1,644,481	29%	2,384,012	-11%
Subtotal	4,633,460	3,794,822	22%	5,074,288	-9%
Other Power Purchases	1,043,045	209,518	398%	461,588	126%
Frederickson	2,745,747	2,745,653	0%	2,050,003	34%
Transmission	645,879	670,032	-4%	636,193	2%
Ancillary	187,965	198,285	-5%	220,743	-15%
Generation	-	-	n/a	7,082	n/a
Conservation Program	26,976	173,440	-84%	(38,016)	-171%
Gross Power Costs	9,283,073	7,791,751	19%	8,411,881	10%
Less Sales for Resale-Energy	(3,831,973)	(3,726,754)	3%	(2,882,863)	33%
Less Sales for Resale-Gas	(158,455)	-	n/a	(146,787)	8%
Less Transmission of Power for Others	(14,445)	-	n/a	(15,200)	-5%
NET POWER COSTS	\$5,278,200	\$4,064,997	30%	\$5,367,031	-2%
NET POWER - kWh					
BPA Power Costs					
Slice	75,025,000	89,678,044	-16%	82,475,000	-9%
Block	107,880,000	107,880,000	0%	107,880,000	0%
Subtotal	182,905,000	197,558,044	-7%	190,355,000	-4%
Other Power Purchases	16,890,000	5,485,726	208%	11,736,000	44%
Frederickson	32,369,000	37,200,000	-13%	29,919,000	8%
Generation	-	-	n/a	-	n/a
Gross Power kWh	232,164,000	240,243,770	-3%	232,010,000	0%
Less Sales for Resale	(54,443,000)	(52,958,676)	3%	(50,157,000)	9%
Less Transmission Losses/Imbalance	(1,859,000)	(3,454,073)	-46%	(5,749,000)	-68%
NET POWER - kWh	175,862,000	183,831,021	-4%	176,104,000	0%
COST PER MWh: (dollars)					
Gross Power Cost (average)	\$39.98	\$32.43		\$36.26	10%
Net Power Cost	\$30.01	\$22.11		\$30.48	-2%
BPA Power Cost	\$25.33	\$19.21		\$26.66	-5%
Sales for Resale	\$70.39	\$59.33		\$57.48	22%
ACTIVE SERVICE AGREEMENTS:					
Residential	38,919			37,957	3%
Small General Service	4,400			4,308	2%
Medium General Service	680			660	3%
Large General Service	131			129	2%
Large Industrial	3			3	0%
Small Irrigation	621			613	1%
Large Irrigation	124			112	11%
Street Lights	9			9	0%
Security Lights	1,451			1,454	0%
Unmetered Accounts	355			355	0%
TOTAL	46,693			45,600	2%

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

	8/31/2008			8/31/2007	
	ACTUAL	AMENDED BUDGET	PCT VAR	ACTUAL	PCT VAR
ENERGY SALES RETAIL - REVENUE					
Residential	\$28,802,696	\$28,798,120	0%	\$29,164,010	-1%
Small General Service	4,347,337	4,372,305	-1%	4,621,218	-6%
Medium General Service	5,492,561	5,488,823	0%	5,760,808	-5%
Large General Service	6,517,302	6,548,764	0%	7,194,363	-9%
Large Industrial	1,191,797	1,177,904	1%	1,130,551	5%
Small Irrigation	562,052	570,657	-2%	593,496	-5%
Large Irrigation	11,993,115	12,050,022	0%	12,794,811	-6%
Street Lights	264,049	264,134	0%	269,696	-2%
Security Lights	130,103	129,801	0%	129,216	1%
Unmetered Accounts	92,617	92,336	0%	95,769	-3%
Billed Revenues Before Taxes	\$59,393,630	\$59,492,866	0%	\$61,753,938	-4%
City Occupation Taxes	2,824,591	2,994,730	-6%	2,850,461	-1%
Bad Debt Expense (reduced from .4% to .3% of retail sales in July 2007)	(190,000)	(197,188)	-4%	(244,000)	-22%
Unbilled Revenue	(966,000)	(966,000)	0%	(1,039,000)	-7%
TOTAL SALES - REVENUE	\$61,062,221	\$61,324,408	0%	\$63,321,398	-4%
ENERGY SALES RETAIL - kWh					
Residential	459,457,784	459,660,469	0%	439,920,680	4%
Small General Service	78,411,423	78,891,358	-1%	77,286,118	1%
Medium General Service	112,844,732	112,765,481	0%	108,398,504	4%
Large General Service	143,148,300	144,349,053	-1%	143,198,570	0%
Large Industrial	35,867,820	35,266,557	2%	32,023,335	12%
Small Irrigation	12,618,885	12,845,571	-2%	12,559,092	0%
Large Irrigation	332,084,028	335,719,577	-1%	337,036,147	-1%
Street Lights	2,806,112	2,763,346	2%	2,754,744	2%
Security Lights	688,779	686,180	0%	681,732	1%
Unmetered Accounts	1,894,391	1,894,006	0%	1,897,031	0%
TOTAL kWh SOLD	1,179,822,254	1,184,841,598	0%	1,155,755,953	2%
NET POWER COST					
BPA Power Costs					
Slice	\$22,715,224	\$22,678,261	0%	\$22,700,625	0%
Block	13,439,995	13,343,124	1%	13,808,881	-3%
Subtotal	36,155,219	36,021,386	0%	36,509,506	-1%
Other Power Purchases	13,111,632	2,727,466	381%	8,056,835	63%
Frederickson	14,821,540	9,997,811	48%	9,175,019	62%
Transmission	5,443,451	5,360,256	2%	5,098,336	7%
Ancillary	1,687,873	1,508,789	12%	1,516,793	11%
Generation	-	-	n/a	147,449	n/a
Conservation Program	(128,053)	220,851		(226,907)	
Gross Power Costs	71,091,661	55,836,558	27%	60,277,033	18%
Less Sales for Resale-Energy	(38,103,842)	(22,909,186)	66%	(27,962,071)	36%
Less Sales for Resale-Gas	(1,120,165)	(826,252)	36%	(938,471)	19%
Less Transmission of Power for Others	(118,047)	-	n/a	(128,207)	-8%
NET POWER COSTS	\$31,749,607	\$32,101,120	-1%	\$31,248,284	2%
NET POWER - kWh					
BPA Power Costs					
Slice	871,765,000	899,361,097	-3%	844,336,000	3%
Block	683,355,000	683,448,000	0%	680,739,000	0%
Subtotal	1,555,120,000	1,582,809,097	-2%	1,525,075,000	2%
Other Power Purchases	153,667,000	60,747,809	153%	171,802,000	-11%
Frederickson	132,230,000	74,400,000	78%	73,199,000	81%
Generation	-	-	n/a	547,000	n/a
Gross Power kWh	1,841,017,000	1,717,956,906	7%	1,770,623,000	4%
Less Sales for Resale	(606,368,000)	(471,804,185)	29%	(549,284,000)	10%
Less Transmission Losses/Imbalance	(24,251,000)	(29,590,090)	-18%	(36,900,000)	-34%
NET POWER - kWh	1,210,398,000	1,216,562,631	-1%	1,184,439,000	2%
COST PER MWh: (dollars)					
Gross Power Cost (average)	\$38.62	\$32.50		\$34.04	13%
Net Power Cost	\$26.23	\$26.39		\$26.38	-1%
BPA Power Cost	\$23.25	\$22.76		\$23.94	-3%
Sales for Resale	\$62.84	\$43.11		\$50.91	23%
AVERAGE ACTIVE SERVICE AGREEMENTS:					
Residential	38,773			37,845	2%
Small General Service	4,365			4,281	2%
Medium General Service	673			649	4%
Large General Service	131			128	3%
Large Industrial	3			3	0%
Small Irrigation	614			606	1%
Large Irrigation	120			107	12%
Street Lights	9			9	0%
Security Lights	1,455			1,434	1%
Unmetered Accounts	354			354	0%
TOTAL	46,496			45,416	2%

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
Residential													
2004	95,569,316	71,372,409	54,426,955	40,932,070	33,583,837	33,298,806	48,155,700	55,286,524	43,706,397	32,888,688	50,369,427	61,796,367	621,386,496
2005	85,502,404	65,757,872	54,867,121	45,210,519	33,476,737	36,401,361	47,060,797	53,802,668	41,855,095	33,143,677	48,014,586	77,545,757	622,638,594
2006	77,065,711	62,799,696	63,613,232	44,924,203	34,866,230	38,366,099	49,735,292	52,750,137	44,919,739	34,641,585	50,817,564	77,713,170	632,212,658
2007	87,319,056	77,441,820	56,474,817	43,084,827	36,121,426	40,215,039	47,242,403	52,021,292	48,243,351	35,242,949	52,390,988	68,594,080	644,392,048
2008	81,834,824	84,141,448	55,935,103	53,772,772	39,619,749	40,175,032	50,892,623	53,086,233					459,457,784
Small General Service													
2004	12,521,729	10,268,574	8,801,447	8,294,850	7,972,369	8,582,655	10,420,125	11,760,180	10,154,894	8,263,709	9,091,346	9,441,907	115,573,785
2005	12,185,616	9,518,205	8,889,152	8,461,985	8,229,499	9,086,621	11,118,911	11,124,407	9,610,735	7,916,513	8,219,252	10,348,629	114,709,525
2006	10,568,130	9,321,984	9,271,670	7,868,940	7,824,298	8,857,198	10,468,926	10,922,820	10,165,839	8,039,168	8,612,604	10,783,271	112,704,848
2007	11,256,612	10,343,708	8,733,903	8,119,138	8,313,731	9,397,207	10,106,012	11,015,807	10,901,901	8,146,746	8,846,386	9,868,202	115,049,353
2008	10,544,341	10,991,837	8,654,561	8,716,841	8,285,116	9,271,114	10,580,487	11,367,126					78,411,423
Medium General Service													
2004	16,247,598	14,515,280	12,880,552	12,543,850	12,073,921	13,104,210	15,106,886	16,658,197	14,860,999	13,079,306	13,868,845	12,682,815	167,622,459
2005	15,786,408	12,751,305	12,735,808	12,705,928	12,289,204	13,797,709	15,391,965	15,271,190	14,211,227	12,621,897	12,678,751	13,801,160	164,042,552
2006	13,913,591	12,596,239	12,696,858	11,695,360	11,421,328	13,151,237	14,897,579	15,273,401	14,332,565	12,540,496	13,243,400	14,677,493	160,439,547
2007	14,913,657	13,577,225	12,228,448	12,096,295	11,997,041	13,564,289	14,436,738	15,584,811	15,976,529	13,061,604	13,718,800	14,030,066	165,185,503
2008	14,649,772	14,786,039	12,583,516	12,763,063	12,405,653	14,158,639	15,565,070	15,932,980					112,844,732
Large General Service													
2004	19,172,300	18,662,420	18,015,560	20,827,940	16,873,710	17,332,910	20,465,960	23,034,440	22,583,920	22,378,080	22,703,410	18,140,950	240,191,600
2005	20,761,670	18,772,730	20,076,680	19,804,880	18,832,500	19,409,810	20,839,500	23,463,050	22,068,240	21,367,890	19,526,860	17,631,660	242,555,470
2006	19,832,950	18,239,350	19,646,330	17,341,230	17,936,450	17,996,050	20,597,180	22,501,350	21,723,470	22,443,270	19,391,470	19,258,660	236,907,760
2007	19,480,750	18,469,340	17,423,960	16,320,080	15,174,720	16,287,400	17,696,340	22,345,980	22,862,320	20,521,740	19,368,500	17,365,400	223,316,530
2008	18,167,040	18,756,160	16,161,280	16,847,540	17,175,560	17,827,280	18,762,140	19,451,300					143,148,300
Large Industrial													
2004	6,057,145	6,247,565	5,538,360	3,837,395	5,914,950	5,914,880	6,379,465	5,964,275	6,506,375	5,993,050	4,826,035	6,299,090	69,478,585
2005	5,373,760	3,694,860	6,258,110	5,484,725	5,886,780	4,448,090	6,170,725	5,764,190	1,497,835	1,911,635	4,880,190	1,914,895	53,285,795
2006	2,128,100	5,456,800	1,515,205	5,818,020	1,457,800	4,605,710	1,514,515	5,065,895	1,470,265	3,455,900	1,227,080	3,740,625	37,455,915
2007	1,536,265	3,787,470	5,981,625	5,629,710	1,237,860	5,044,550	5,726,400	3,079,455	3,881,355	1,249,625	5,818,330	6,072,505	49,045,150
2008	5,084,745	1,333,010	5,715,080	5,770,360	3,687,305	4,613,435	5,317,785	4,346,100					35,867,820
Small Irrigation													
2004	29	253	500,338	1,360,889	1,700,350	2,503,239	2,966,943	2,601,054	2,113,536	1,159,826	130,737	34,036	15,071,230
2005	6,517	14,976	651,505	1,121,891	1,596,562	2,945,392	2,799,953	3,545,175	2,192,846	812,699	32,915	3,938	15,724,369
2006	2,729	1,971	315,648	633,768	2,039,638	2,197,808	2,857,543	3,346,252	1,928,953	964,486	13,051	3,171	14,305,018
2007	13,587	3,264	324,859	1,048,748	2,478,748	2,534,384	3,157,675	2,997,827	2,225,321	1,054,836	7,932	1,577	15,848,758
2008	1,895	3,199	318,941	1,331,496	2,063,697	2,518,611	3,466,289	2,914,757					12,618,885
Large Irrigation													
2004	166,433	194,653	8,752,704	30,241,420	52,964,489	70,703,250	89,907,044	56,549,188	27,904,666	18,883,555	3,593,216	431,335	360,291,953
2005	231,531	254,699	17,496,942	27,406,963	50,993,704	78,390,337	86,139,997	73,287,026	30,506,261	13,971,670	2,971,403	276,568	381,927,101
2006	297,170	394,668	7,900,410	20,103,497	55,631,376	73,692,156	85,591,196	63,139,831	28,522,718	14,907,418	3,213,942	348,665	353,743,047
2007	343,922	324,365	8,328,773	24,977,896	63,671,284	81,463,666	90,029,116	67,897,125	30,240,318	14,964,523	2,787,826	1,373,246	386,402,060
2008	274,289	480,150	9,558,415	31,319,266	58,643,634	75,080,959	89,956,008	66,771,307					332,084,028
Street Lights													
2004	328,362	328,290	328,218	328,218	328,941	328,941	330,777	330,741	331,137	331,137	331,029	331,389	3,957,180
2005	339,983	339,983	342,773	343,637	343,565	342,971	336,041	334,349	335,955	335,955	335,865	335,865	4,066,942
2006	335,757	335,757	340,041	340,041	340,041	340,041	340,041	340,041	342,057	342,633	343,101	344,109	4,083,660
2007	344,217	344,217	344,217	344,217	344,217	344,217	344,721	344,721	347,713	349,729	349,729	349,477	4,151,392
2008	350,611	350,611	350,611	350,611	350,791	350,791	351,079	351,007					2,806,112

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
Security Lights													
2004	91,152	91,152	91,188	91,188	90,864	90,900	90,900	90,900	90,936	90,828	90,540	90,432	1,090,980
2005	90,396	89,820	89,820	89,892	90,000	90,000	89,100	89,028	88,128	87,912	86,346	85,878	1,066,320
2006	85,734	85,626	85,374	85,374	85,410	85,410	85,446	85,158	85,266	85,266	85,302	85,194	1,024,560
2007	85,158	85,194	85,194	85,122	85,122	85,302	85,302	85,338	84,510	87,156	87,084	87,084	1,027,566
2008	79,929	87,138	87,102	86,994	86,994	86,958	86,850	86,814					688,779
Unmetered													
2004	197,736	197,736	197,736	197,736	197,736	197,736	197,736	198,305	200,897	200,897	200,899	204,355	2,389,505
2005	205,091	206,387	206,387	206,387	206,999	206,999	206,999	206,999	208,562	210,290	210,290	210,290	2,491,680
2006	235,524	235,524	235,524	235,524	235,524	235,524	235,524	236,129	237,079	237,079	237,079	237,079	2,833,113
2007	237,079	237,079	237,079	237,079	237,079	236,924	237,356	237,356	237,356	237,356	237,356	237,356	2,846,455
2008	234,224	237,363	237,134	237,134	237,134	237,134	237,134	237,134					1,894,391
Total													
2004	150,351,800	121,878,332	109,533,058	118,655,556	131,701,167	152,057,527	194,021,536	172,473,804	128,453,757	103,269,076	105,205,484	109,452,676	1,597,053,773
2005	140,483,376	111,400,837	121,614,298	120,836,807	131,945,550	165,119,290	190,153,988	186,888,082	122,574,884	92,380,138	96,956,458	122,154,640	1,602,508,348
2006	124,465,396	109,467,615	115,620,292	109,045,957	131,838,095	159,527,233	186,323,242	173,661,014	123,727,951	97,657,301	97,184,593	127,191,437	1,555,710,126
2007	135,530,303	124,613,682	110,162,875	111,943,112	139,661,228	169,172,978	189,062,063	175,609,712	135,000,674	94,916,264	103,612,931	117,978,993	1,607,264,815
2008	131,221,670	131,166,955	109,601,743	131,196,077	142,555,633	164,319,953	195,215,465	174,544,758					1,179,822,254

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

	BALANCE 7/31/2008	ADDITIONS	RETIREMENTS	BALANCE 8/31/2008
INTANGIBLE PLANT:				
Organizations	\$28,379	\$0	\$0	\$28,379
Franchises & Consents	322	-	-	322
Miscellaneous & Intangible Plant	29,078	-	-	29,078
TOTAL	57,780	-	-	57,780
GENERATION PLANT:				
Land & Land Rights	-	-	-	-
Structures & Improvements	1,141,911	-	-	1,141,911
Fuel Holders & Accessories	-	-	-	-
Other Electric Generation	261,940	-	-	261,940
Accessory Electric Equipment	-	-	-	-
Miscellaneous Power Plant Equipment	-	-	-	-
TOTAL	1,403,851	-	-	1,403,851
TRANSMISSION PLANT:				
Land & Land Rights	156,400	-	-	156,400
Clearing Land & Right Of Ways	10,521	-	-	10,521
Transmission Station Equipment	777,633	-	-	777,633
Towers & Fixtures	-	-	-	-
Poles & Fixtures	3,778,144	(67,906)	-	3,710,237
Overhead Conductor & Devices	2,921,515	-	-	2,921,515
TOTAL	7,644,213	(67,906)	-	7,576,306
DISTRIBUTION PLANT:				
Land & Land Rights	1,278,979	594	-	1,279,573
Structures & Improvements	232,936	-	-	232,936
Station Equipment	29,951,368	-	-	29,951,368
Poles, Towers & Fixtures	14,665,244	31,041	(7,666)	14,688,620
Overhead Conductor & Devices	9,959,573	70,851	(14,471)	10,015,952
Underground Conduit	25,632,589	20,032	-	25,652,621
Underground Conductor & Devices	32,714,689	68,425	(7,212)	32,775,902
Line Transformers	22,527,692	52,608	-	22,580,300
Services-Overhead	2,536,741	7,327	(966)	2,543,102
Services-Underground	14,757,413	51,820	(1,913)	14,807,320
Meters	4,118,570	4,582	-	4,123,153
Security Lighting	863,611	1,869	(2,790)	862,690
Street Lighting	1,059,240	-	-	1,059,240
SCADA System	1,501,263	-	-	1,501,263
TOTAL	161,799,907	309,149	(35,018)	162,074,037
GENERAL PLANT:				
Land & Land Rights	1,128,959	-	-	1,128,959
Structures & Improvements	17,161,955	-	-	17,161,955
Information Systems & Technology	6,516,529	-	-	6,516,529
Transportation Equipment	5,892,604	116,351	-	6,008,955
Stores Equipment	54,108	-	-	54,108
Tools, Shop & Garage Equipment	426,855	-	-	426,855
Laboratory Equipment	519,859	-	-	519,859
Communication Equipment	1,832,895	(22,076)	-	1,810,819
Broadband Equipment	7,665,714	78,451	-	7,744,165
Miscellaneous Equipment	66,628	-	-	66,628
Allowance for Funds Used During Construction	1,525,015	22,401	-	1,547,416
TOTAL	42,791,123	195,127	-	42,986,250
TOTAL ELECTRIC PLANT ACCOUNTS	213,696,874	436,369	(35,018)	214,098,225
PLANT HELD FOR FUTURE USE	388,589	-	-	388,589
CONSTRUCTION WORK IN PROGRESS	4,652,753	200,265	-	4,853,018
TOTAL CAPITAL	\$218,738,215	\$636,635	(\$35,018)	\$219,339,832

\$970,771 Amended Budget

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

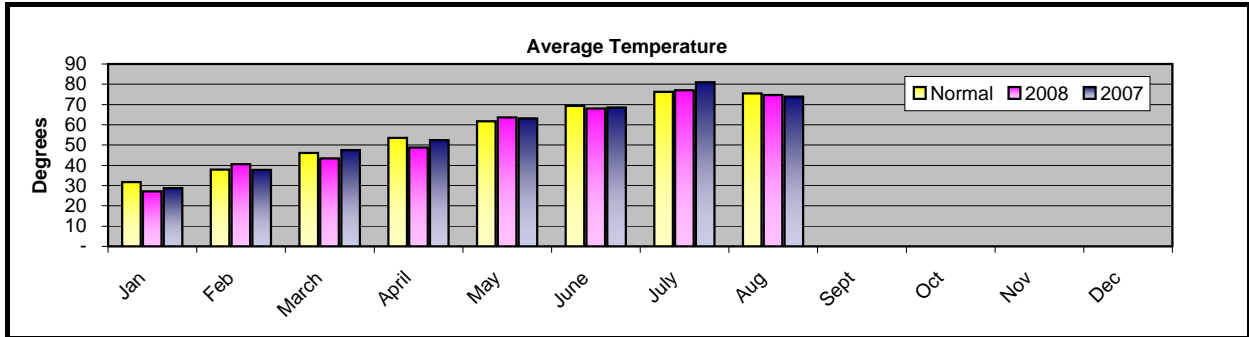
	BALANCE 12/31/2007	ADDITIONS	RETIREMENTS	BALANCE 8/31/2008
INTANGIBLE PLANT:				
Organizations	\$28,379	\$0	\$0	\$28,379
Franchises & Consents	322	-	-	322
Miscellaneous & Intangible Plant	29,078	-	-	29,078
TOTAL	57,780	-	-	57,780
GENERATION PLANT:				
Land & Land Rights	-	-	-	-
Structures & Improvements	1,141,911	-	-	1,141,911
Fuel Holders & Accessories	-	-	-	-
Other Electric Generation	261,940	-	-	261,940
Accessory Electric Equipment	-	-	-	-
Miscellaneous Power Plant Equipment	-	-	-	-
TOTAL	1,403,851	-	-	1,403,851
TRANSMISSION PLANT:				
Land & Land Rights	156,400	-	-	156,400
Clearing Land & Right Of Ways	10,521	-	-	10,521
Transmission Station Equipment	777,633	-	-	777,633
Towers & Fixtures	82,425	(82,425)	-	-
Poles & Fixtures	3,688,914	26,341	(5,017)	3,710,237
Overhead Conductor & Devices	2,917,921	35,968	(32,374)	2,921,515
TOTAL	7,633,814	(20,116)	(37,391)	7,576,306
DISTRIBUTION PLANT:				
Land & Land Rights	1,274,070	5,504	-	1,279,573
Structures & Improvements	228,831	4,105	-	232,936
Station Equipment	29,682,229	282,652	(13,514)	29,951,368
Poles, Towers & Fixtures	14,282,734	521,577	(115,692)	14,688,620
Overhead Conductor & Devices	9,714,401	428,107	(126,556)	10,015,952
Underground Conduit	25,157,753	601,432	(106,565)	25,652,621
Underground Conductor & Devices	31,953,697	951,244	(129,039)	32,775,902
Line Transformers	22,146,489	535,413	(101,602)	22,580,300
Services-Overhead	2,526,593	25,587	(9,078)	2,543,102
Services-Underground	14,385,927	430,321	(8,929)	14,807,320
Meters	4,029,977	93,175	-	4,123,153
Security Lighting	866,922	5,889	(10,121)	862,690
Street Lighting	1,059,900	25	(685)	1,059,240
SCADA System	1,501,263	-	-	1,501,263
TOTAL	158,810,785	3,885,031	(621,779)	162,074,037
GENERAL PLANT:				
Land & Land Rights	1,128,959	-	-	1,128,959
Structures & Improvements	17,118,236	43,719	-	17,161,955
Information Systems & Technology	6,297,001	231,235	(11,707)	6,516,529
Transportation Equipment	5,707,360	465,919	(164,323)	6,008,955
Stores Equipment	54,108	-	-	54,108
Tools, Shop & Garage Equipment	420,720	13,906	(7,771)	426,855
Laboratory Equipment	519,859	-	-	519,859
Communication Equipment	1,825,703	(14,884)	-	1,810,819
Broadband Equipment	7,371,736	376,706	(4,278)	7,744,165
Miscellaneous Equipment	66,628	-	-	66,628
Allowance for Funds Used During Construction	1,385,814	161,602	-	1,547,416
TOTAL	41,896,125	1,278,204	(188,079)	42,986,250
TOTAL ELECTRIC PLANT ACCOUNTS	209,802,355	5,143,118	(847,249)	214,098,225
PLANT HELD FOR FUTURE USE	388,589	-	-	388,589
CONSTRUCTION WORK IN PROGRESS	4,028,943	824,075	-	4,853,018
TOTAL CAPITAL	\$214,219,887	\$5,967,194	(\$847,249)	\$219,339,832

\$8,476,695 Amended Budget

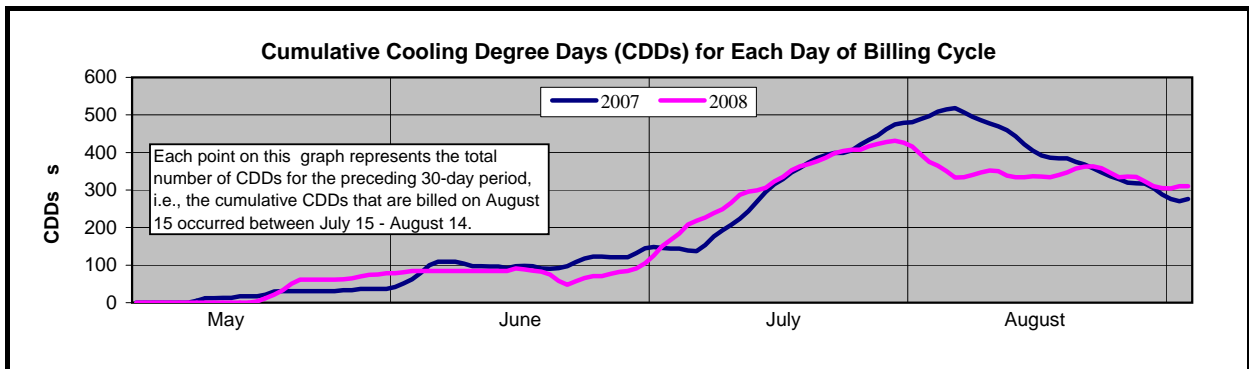
**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY
STATEMENT OF CASH FLOWS**

	YTD 08/31/2008	Monthly 08/31/2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers and Counterparties	\$99,688,888	\$11,233,058
Cash Paid to Suppliers and Counterparties	(66,322,612)	(9,080,330)
Cash Paid to Employees	(7,260,446)	(900,564)
Taxes Paid	(7,228,641)	(675,891)
Net Cash Provided by Operating Activities	18,877,189	\$576,272
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Other Income	37,227	25
Other Expense	(460)	(460)
Net Cash Provided by Noncapital Financing Activities	36,767	(435)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(5,520,584)	(591,116)
Bond Principal Paid	(1,610,000)	(201,250)
Bond Interest Paid	(1,810,053)	(226,257)
Capital Contributions	1,359,369	54,933
Sale of Assets	675,888	-
Net Cash Used by Capital and Related Financing Activities	(6,905,380)	(963,690)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Income	865,215	92,633
Proceeds from Sale of Investments	30,244,362	2,493,844
Purchase of Investments	(46,730,945)	(2,590,451)
Joint Venture Net Revenue (Expense)	(241,064)	(30,133)
Net Cash Provided (Used) by Investing Activities	(15,862,433)	(34,108)
NET INCREASE (DECREASE) IN CASH	(3,853,857)	(421,961)
CASH BALANCE, BEGINNING OF YEAR	5,443,077	2,011,181
CASH BALANCE, END OF YEAR	\$1,589,220	\$1,589,220
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Net Operating Revenues	\$7,034,944	\$313,481
Adjustments to reconcile net operating income to net cash provided by operating activities:		
Depreciation & Amortization	6,238,064	782,280
Unbilled Revenues	966,000	(254,000)
Decrease (Increase) in Accounts Receivable	(3,297,685)	(957,507)
Decrease (Increase) in Inventories	(189,254)	7,923
Decrease (Increase) in Prepaid Expenses	(58,302)	18,168
Decrease (Increase) in Accrued Electric Revenue	(217,501)	101,412
Decrease (Increase) in Miscellaneous Assets	150,192	(29,966)
Decrease (Increase) in Deferred Purchased Power Expense	1,789,667	69,846
Decrease (Increase) in Deferred Regulatory Charges	400,073	165,767
Increase (Decrease) in Deferred Regulatory Credits	3,155,510	(681,650)
Increase (Decrease) in Warrants Outstanding	(28,897)	105,281
Increase (Decrease) in Accounts Payable	3,932,180	788,210
Increase (Decrease) in Accrued Taxes Payable	(670,553)	138,812
Increase (Decrease) in Customer Deposits	140,046	(18,680)
Increase (Decrease) in Other Current Liabilities	(54,036)	28,001
Increase (Decrease) in Deferred Credits	(413,259)	(1,106)
Net Cash Provided by (Used for) Operating Activities	\$18,877,189	\$576,272

PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY
WEATHER STATISTICS
August 31, 2008

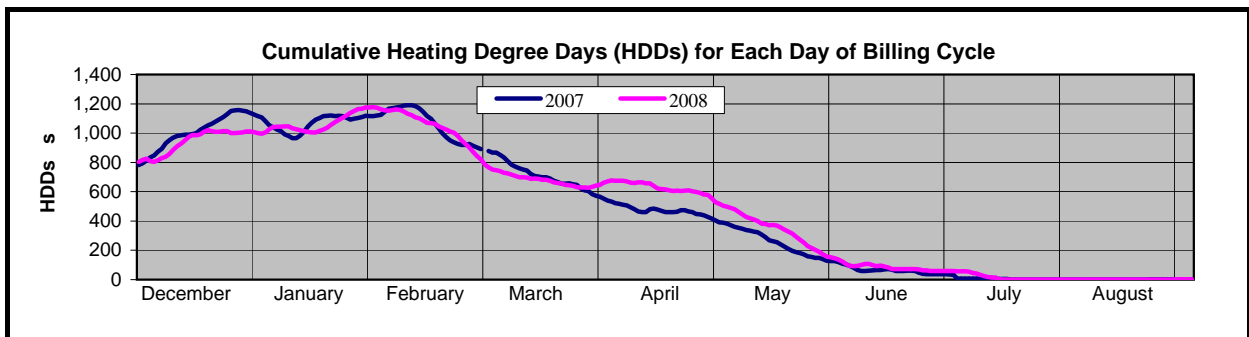


Average Temperature													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Annual
Normal	31.8	37.9	46.1	53.5	61.8	69.3	76.3	75.4	65.9	53.0	40.1	31.7	53.6
2008	27.2	40.6	43.4	48.8	63.6	68.1	77.1	74.7					
2007	28.8	37.8	47.5	52.4	63.1	68.5	81.0	73.9	65.8	51.1	39.2	32.7	53.5



Cooling Degree Days by Month													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2008	-	-	-	-	81	148	375	304					908
2007	-	-	-	-	51	137	497	280	105	-	-	-	1,070
2006	-	-	-	1	88	171	471	312	123	-	-	-	1,166

Cumulative CDDs in Billing Cycle													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2008	-	-	-	-	926	2,447	10,155	10,499					24,027
2007	-	-	-	-	630	3,123	9,861	12,233	6,357	966	-	-	33,170
2006	-	-	-	1	1,156	3,123	10,964	12,467	7,226	1,209	-	-	36,146



Heating Degree Days by Month													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2008	1,172	708	670	481	123	56	-	5					3,215
2007	1,121	761	540	376	110	33	-	1	84	419	777	1,001	5,223
2006	825	802	625	383	163	6	1	6	71	390	751	1,117	5,140

Cumulative HDDs in Billing Cycle													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2008	33,034	30,216	21,091	18,699	10,176	2,400	426	14					116,056
2007	33,206	29,723	21,851	14,093	7,579	1,777	427	12	424	7,276	17,388	29,141	162,897
2006	29,524	23,220	25,059	15,392	8,649	1,973	79	33	1,001	6,020	16,626	31,250	158,826

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

August Highlights

New fiber connection made to Lampson International's Columbia Dr office. Lampson installed their own conduit saving the District's aid-to-construction costs. Five year contract signed with Benton County to provide fiber services to their shops. Upgrade completed for Benton County Central Services (BCCS) offices.

Promotion started in May waiving \$100 non-recurring charge on residential and business fixed wireless as well as a providing a one-time credit for up to \$1,000 in aid-to-construction charges on new fiber customers expired on August 15th.

A C T U A L S																
Operating Activity	2008 Budget	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	YTD	Budget Variance	Inception to Date
OPERATING REVENUES	\$867,270															
Ethernet	-	\$21,752	\$23,504	\$24,447	\$23,763	\$25,567	\$24,847	\$26,211	\$27,071					\$197,161		
TDM	-	7,854	7,854	7,854	8,490	7,854	8,490	9,652	8,604	8,604				66,765		
Wireless	-	297	299	295	281	294	294	294	294					2,346		
Co-Location	-	215	215	215	215	215	215	215	215					1,720		
Internet Transport Service	-	26,740	26,140	26,616	24,530	25,988	25,276	26,435	27,374					209,098		
Fixed Wireless	-	10,207	9,520	10,167	10,022	9,539	9,345	9,456	9,515					77,771		
Broadband Revenue - Other	-	460	304	493	207	196	187	221	269					2,336		
<i>Subtotal</i>		67,525	67,836	70,088	67,507	69,652	69,814	71,435	73,341	-	-	-	-	557,198		
NoaNet Maintenance Revenue	-	490	-	-	706	-	-	-	-					1,196		
Bad Debt Expense	-	(280)	(280)	(290)	(280)	(280)	(280)	(290)	(300)					(2,280)		
<i>Total Operating Revenues</i>	867,270	67,736	67,556	69,798	67,934	69,372	69,534	71,145	73,041	-	-	-	-	556,115	311,155	2,058,221
OPERATING EXPENSES																2,869,468
Marketing & Business Development	60,000	4,857	4,377	7,049	4,292	4,837	5,753	6,355	4,374					41,894	18,106	
General Expenses	633,882	38,277	40,689	40,471	35,044	33,260	32,787	34,580	46,250					301,358	332,524	
Other Maintenance	50,012	1,781	1,597	11,894	5,301	5,237	3,333	2,363	1,631					33,137	16,875	
NOC Maintenance	39,500	4,960	4,844	4,890	5,466	4,472	4,957	5,394	4,860					39,843	(343)	
Wireless Maintenance	-	1,370	1,588	1,684	1,745	2,254	2,266	3,138	1,493					15,537	(15,537)	
<i>Subtotal</i>	783,394	51,245	53,094	65,989	51,848	50,061	49,096	51,829	58,608	-	-	-	-	431,769	351,625	
NoaNet Maintenance Expense	10,981	-	93	585	-	-	298	678	310					1,964	9,017	
Depreciation	682,803	56,327	56,327	56,142	56,569	56,636	56,707	56,850	57,471					453,029	229,774	2,239,427
<i>Total Operating Expenses</i>	1,477,178	107,572	109,514	122,715	108,417	106,696	106,100	109,357	116,390	-	-	-	-	886,762	590,416	5,108,895
OPERATING INCOME (LOSS)	(609,908)	(39,836)	(41,959)	(52,917)	(40,484)	(37,324)	(36,566)	(38,213)	(43,349)	-	-	-	-	(330,647)	279,261	(3,050,674)
NONOPERATING REVENUES & EXPENSES																
Internal Interest due to Power Business Unif	(530,876)	(41,285)	(41,424)	(41,746)	(42,060)	(42,329)	(42,621)	(43,326)	(43,473)					(338,264)	192,612	(1,921,244)
Other Revenues & Expenses - Inception to Date																210,299
City of Kennewick HUD Grant																
CAPITAL CONTRIBUTIONS	1,450,000	-	-	-	3,921	-	-	5,688	-					9,609	(1,440,391)	150,495
INTERNAL NET INCOME (LOSS)	\$309,216	(\$81,121)	(\$83,383)	(\$94,663)	(\$78,623)	(\$79,653)	(\$79,187)	(\$75,851)	(\$86,822)	\$0	\$0	\$0	\$0	(\$659,302)	(\$968,518)	(\$4,611,124)
NOANET COSTS																
Member Assessments	\$361,600	\$30,133	\$30,133	\$30,133	\$30,133	\$30,133	\$30,133	\$30,133	\$30,133					\$241,064		\$2,497,336
Membership Support		108	651	640	330	375	24	279	24					2,431		61,845
<i>Total NoaNet Costs</i>	\$361,600	\$30,241	\$30,784	\$30,773	\$30,463	\$30,508	\$30,157	\$30,412	\$30,157	\$0	\$0	\$0	\$0	\$243,495	\$118,105	\$2,559,181
CAPITAL EXPENDITURES	\$2,657,921	\$25,432	\$16,706	\$50,009	\$64,805	\$53,347	\$60,457	\$162,788	\$19,195					\$452,740	\$2,205,181	\$7,761,353
NET CASH FUNDING OF BROADBAND⁽²⁾		\$39,182	\$33,123	\$77,558	\$75,262	\$64,543	\$70,473	\$168,874	\$35,230	\$0	\$0	\$0	\$0	\$564,244		\$10,770,987

(1) Internal interest budget is estimated based on cash flow projections

(2) Includes excess of operating costs over revenues, capital expenditures and NoaNet assessments; excludes depreciation and internal interest to Electric System



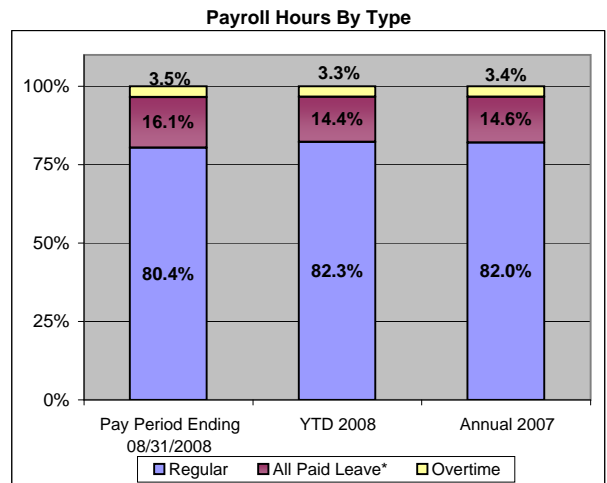
Payroll Report

Pay Period Ending August 31, 2008

Headcount				
Directorate	Department	2008 Budget	2008 Actual	Over (Under) Actual to Budget
Executive Administration		7.0	8.0	1.0
Finance & Business Services				
	Director of Finance	5.0	5.0	-
	Accounting	7.0	7.0	-
	Information Systems	8.0	7.0	(1.0)
	Key Accounts	4.0	4.0	-
	Customer Service	27.0	27.0	-
Engineering				
	Engineering	8.0	8.0	-
	Customer Engineering	10.0	10.0	-
Operations				
	Operations	7.0	7.0	-
	General Foreman	27.0	29.0	2.0
	Supervisor of Operations	2.0	2.0	-
	Meter Shop	5.0	4.0	(1.0)
	Transformer Shop	7.0	6.0	(1.0)
	Automotive Shop	4.0	4.0	-
	Warehouse	7.0	7.0	-
	Prosser Branch	6.0	5.0	(1.0)
	Broadband	4.0	4.0	-
Power Management				
	Director of Power Management	4.0	4.0	-
	Products & Services	4.0	4.0	-
Total Positions		153.0	152.0	(1.0)

Contingent Positions						
Position	Department	Hours				
		2008 Budget	Pay Period Ending 08/31/2008	2008 Actual YTD	% YTD to Budget	
HR Intern	Human Resources	520	-	-	-	
Meter Readers On-Call	Customer Service	1,040	583	2,544	245%	
NECA Lineman	Operations	2,080	81	1,023	49%	
CSR On-Call - Prosser	Prosser Branch	1,560	79	1,658	106%	
CSR On-Call - Kennewick	Customer Service	1,040	172	1,305	126%	
Total All Contingent Positions		6,240	914	6,530	105%	

2008 Labor Budget			
As of 08/31/2008			67% through the year
Labor Type	2008 Amended Budget	YTD Actual	% Spent
Regular	\$10,538,790	\$6,928,178	66%
Overtime	525,971	344,801	66%
Subtotal	11,064,761	7,272,979	66%
Less: Mutual Aid	-	-	-
Total	\$11,064,761	\$7,272,979	66%



* All Paid Leave includes personal leave, holidays, short-term disability, jury duty pay, and military leave pay.