



## FINANCIAL STATEMENTS

JANUARY 2008

*(Unaudited)*

### Table of Contents

---

	<u>Page</u>
<b>Financial Highlights</b>	2
<b>Statement of Revenues, Expenses and Changes in Net Assets</b>	3
<b>Comparative Balance Sheet</b>	4 - 5
<b>Energy Statistical Data</b>	
Current Month	6
kWh Sales - Monthly Activity	7 - 8
<b>Capital Additions and Retirements</b>	9
<b>Statement of Cash Flows</b>	10
<b>Weather Statistics</b>	11
<b>Broadband Summary</b>	12
<b>Payroll Report</b>	13



## Financial Highlights January 2008



Issue date: 2/25/08

**Financial highlights for the month of January:**

- District operations resulted in an increase in net assets of \$1.8 million for the month.
- January's average temperature of 27.2° was 4.6° below normal and 1.6° colder than last year, however, as a result of the colder weather coming at the end of the month, cumulative heating degree days for the billing cycle were down 1% from last year. Precipitation was 147% of normal for the month with snowfall totaling 16.7 inches.
- Total retail kWh billed during January was down 3% from last year due primarily to a reduction in the residential customer class. Total retail kWh billed was 7% below budget estimates for the month.
- Net power supply costs of \$3.7 million were 19% below budget estimates.
  - The Frederickson plant operated during the last half of the month with favorable economic margins.
  - Energy sales for resale of \$5.4 million were twice budget projections.
  - The average price of \$75 per MWh exceeded budget projections of \$49 per MWh.
- Capital expenditures of \$474,000 for the month were below budget estimates of \$1 million.

*(in thousands of dollars)*

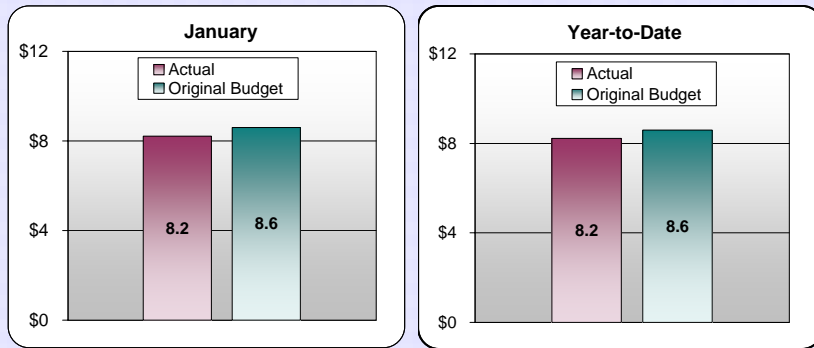
Change in Net Assets	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
Actual	\$1,758												\$1,758	
Budget	\$1,210												1,210	\$4,676

Net Power Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
Power Supply Costs	\$9,219												\$9,219	\$86,684
Less: Sales for Resale	(5,502)												(5,502)	(34,906)
Net Power Costs	\$3,717												\$3,717	\$51,778

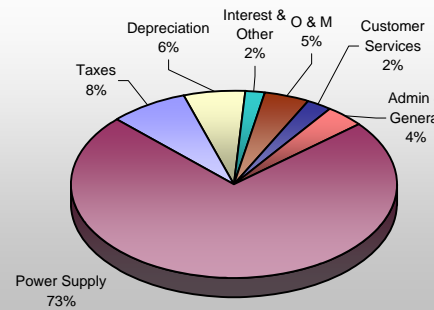
Net Capital Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
Capital Expenditures	\$474												\$474	\$14,404
Less: Capital Contributions	(31)												(31)	(2,533)
Net Capital Costs	\$443												\$443	\$11,871

Load Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
aMW - Retail Sales	176												176.3	185.4
aMW - Sales for Resale	97												96.9	62.6

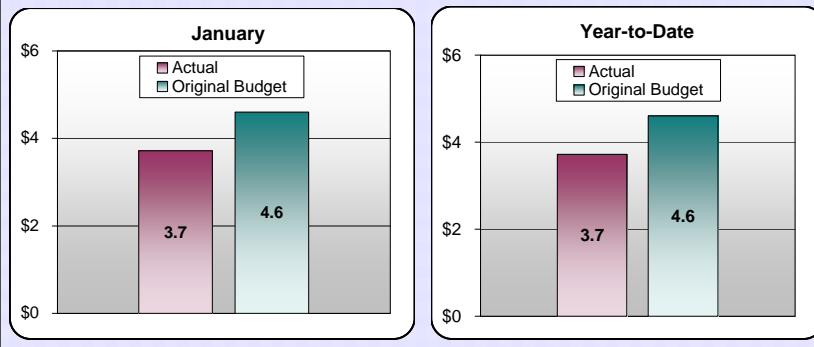
**Total Retail Revenue**  
*(in millions of dollars)*



**Total Expenses**



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



**Key Ratios**

Current Ratio	3.37 : 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

*(includes capital contributions)*

**Other Statistics**

Unrestricted Reserves	\$ 32.2 million
Rate Stabilization Account (designated)	\$ 5.1 million
Construction Account (restricted)	\$ 0.2 million
Bond Principal & Interest (restricted)	\$ 1.3 million
Net Utility Plant	\$ 109.6 million
Long-Term Debt	\$ 56.5 million
Active Service Agreements*	46,310
Employees (FTE's)	153

*\* Meters with a "pending stop" status are now included in this count.*

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

	1/31/2008			1/31/2007	
	ACTUAL	BUDGET	PCT VAR	ACTUAL	PCT VAR
<b>OPERATING REVENUES</b>					
Energy Sales - Retail	\$8,217,009	\$8,602,969	-4%	\$9,122,553	-10%
Energy Sales for Resale	5,486,540	2,672,620	105%	5,589,017	-2%
Transmission of Power for Others	15,200	-	n/a	16,233	-6%
Broadband Revenue	67,736	72,273	-6%	42,776	58%
Other Revenue	367,653	371,681	-1%	539,195	-32%
<b>TOTAL OPERATING REVENUES</b>	<b>14,154,138</b>	<b>11,719,543</b>	<b>21%</b>	<b>15,309,774</b>	<b>-8%</b>
<b>OPERATING EXPENSES</b>					
Purchased Power	8,405,727	6,413,087	31%	7,921,498	6%
Purchased Transmission & Ancillary Services	860,265	856,709	0%	789,148	9%
Generation	691	-	n/a	56,563	-99%
Conservation Program	(47,739)	6,773	n/a	(41,010)	16%
Total Power Supply	9,218,944	7,276,569	27%	8,726,199	6%
Transmission Operation & Maintenance	1,202	2,779	-57%	2,437	-51%
Distribution Operation & Maintenance	525,786	566,850	-7%	585,079	-10%
Broadband Expense	51,245	66,687	-23%	51,940	-1%
Customer Accounting, Collection & Information	310,380	344,433	-10%	311,642	0%
Administrative & General	486,640	491,841	-1%	431,654	13%
Subtotal before Taxes & Depreciation	1,375,253	1,472,590	-7%	1,382,751	-1%
Taxes	962,503	917,493	5%	1,007,419	-4%
Depreciation & Amortization	774,017	819,454	-6%	886,157	-13%
Total Other Operating Expenses	3,111,772	3,209,537	-3%	3,276,326	-5%
<b>TOTAL OPERATING EXPENSES</b>	<b>12,330,716</b>	<b>10,486,106</b>	<b>18%</b>	<b>12,002,525</b>	<b>3%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,823,421</b>	<b>1,233,437</b>	<b>48%</b>	<b>3,307,249</b>	<b>-45%</b>
<b>NONOPERATING REVENUES &amp; EXPENSES</b>					
Interest Income	143,924	125,000	15%	108,939	32%
Other Income	-	-	n/a	-	n/a
Other Expense	-	-	n/a	-	n/a
Interest Expense	(206,743)	(204,758)	1%	(217,110)	-5%
Debt Discount & Expense Amortization	(3,402)	(4,163)	-18%	(4,951)	-31%
Loss in Joint Ventures/Special Assessments	(30,133)	(30,134)	0%	(36,250)	-17%
<b>TOTAL NONOPERATING REVENUES &amp; EXPENSES</b>	<b>(96,354)</b>	<b>(114,055)</b>	<b>-16%</b>	<b>(149,373)</b>	<b>-35%</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS &amp; EXTRAORDINARY ITEMS</b>	<b>1,727,068</b>	<b>1,119,382</b>	<b>54%</b>	<b>3,157,876</b>	<b>-45%</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>30,897</b>	<b>90,244</b>	<b>-66%</b>	<b>36,587</b>	<b>-16%</b>
<b>EXTRAORDINARY ITEMS</b>	<b>-</b>	<b>-</b>	<b>n/a</b>	<b>-</b>	<b>n/a</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$1,757,964</b>	<b>\$1,209,626</b>	<b>45%</b>	<b>\$3,194,463</b>	<b>-45%</b>

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

	1/31/2008	1/31/2007	Increase/(Decrease)	
			Amount	Percent
<b>CURRENT ASSETS</b>				
Cash & Working Funds	\$2,232,337	\$3,141,048	(\$908,711)	
Temporary Investments	35,146,791	19,590,912	15,555,878	
Bond Fund Principal & Interest	1,282,520	1,739,426	(456,906)	
Construction Account	198,013	-	198,013	
Notes Receivable, City of Richland	650,000	650,000	-	
Accounts Receivable, net	8,547,348	10,567,124	(2,019,776)	
Accrued Unbilled Revenue	3,200,000	3,500,000	(300,000)	
Inventory Materials & Supplies	2,597,161	3,606,090	(1,008,929)	
Prepayments	148,477	141,244	7,233	
Accrued Interest Receivable	-	26,119	(26,119)	
Accrued Electric Revenue	4,868,905	5,367,017	(498,112)	
<b>Total Current Assets</b>	<b>58,871,553</b>	<b>48,328,979</b>	<b>10,542,573</b>	<b>22%</b>
<b>NONCURRENT ASSETS</b>				
Bond Reserve	-	812,537	(812,537)	
Other Receivables	650,000	1,300,000	(650,000)	
Ownership Interest in GHFB, LLP	66,514	189,500	(122,986)	
Unamortized Debt Expense	781,757	893,833	(112,075)	
Preliminary Surveys	192,825	30,632	162,193	
Deferred Regulatory Charges	1,536,915	160,077	1,376,838	
Deferred Purchased Power Costs	3,144,517	3,298,494	(153,977)	
Deferred Conservation Costs	-	507,892	(507,892)	
Other Deferred Charges	(64,519)	(88,803)	24,284	
	<b>6,308,009</b>	<b>7,104,162</b>	<b>(796,153)</b>	<b>-11%</b>
<b>Utility Plant</b>				
Land and Intangible Plant	3,017,245	2,711,252	305,993	
Electric Plant in Service	207,383,562	212,927,520	(5,543,957)	
Construction Work in Progress	4,247,607	5,598,559	(1,350,952)	
Accumulated Depreciation	(105,067,260)	(101,547,641)	(3,519,619)	
<b>Net Utility Plant</b>	<b>109,581,154</b>	<b>119,689,690</b>	<b>(10,108,537)</b>	<b>-8%</b>
<b>Total Noncurrent Assets</b>	<b>115,889,163</b>	<b>126,793,852</b>	<b>(10,904,690)</b>	<b>-9%</b>
<b>TOTAL ASSETS</b>	<b>\$174,760,715</b>	<b>\$175,122,832</b>	<b>(\$362,116)</b>	<b>0%</b>

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

	1/31/2008	1/31/2007	Increase/(Decrease)	
			Amount	Percent
<b>CURRENT LIABILITIES</b>				
Warrants Outstanding	\$414,942	\$201,483	\$213,460	
Accounts Payable	9,436,314	9,827,174	(390,860)	
Customer Deposits	1,090,839	1,172,767	(81,928)	
Accrued Taxes Payable	2,851,546	2,962,964	(111,418)	
Other Current & Accrued Liabilities	2,483,189	2,404,439	78,750	
Accrued Interest Payable	678,770	764,524	(85,754)	
Revenue Bonds, Current Portion	2,415,000	4,045,000	(1,630,000)	
<b>Total Current Liabilities</b>	<b>19,370,600</b>	<b>21,378,350</b>	<b>(2,007,750)</b>	<b>-9%</b>
<b>NONCURRENT LIABILITIES</b>				
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	1,116,680	1,266,090	(149,410)	
Unamortized Loss on Defeased Debt	(394,439)	(488,091)	93,652	
Deferred Revenue	672,066	456,176	215,890	
Deferred Regulatory Credits	2,550,725	2,580,254	(29,529)	
Other Liabilities	1,683,931	352,161	1,331,770	
<b>Total Noncurrent Liabilities</b>	<b>59,023,963</b>	<b>59,976,589</b>	<b>(952,626)</b>	<b>-2%</b>
<b>Total Liabilities</b>	<b>78,394,563</b>	<b>81,354,939</b>	<b>(2,960,376)</b>	<b>-4%</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	53,850,676	60,844,130	(6,993,455)	
Unrestricted	42,515,476	32,923,762	9,591,714	
<b>Total Net Assets</b>	<b>96,366,152</b>	<b>93,767,892</b>	<b>2,598,260</b>	<b>3%</b>
<b>TOTAL NET ASSETS AND LIABILITIES</b>	<b>\$174,760,715</b>	<b>\$175,122,832</b>	<b>(\$362,116)</b>	<b>0%</b>
<b>CURRENT RATIO:</b> (Current Assets / Current Liabilities)	<b>3.04:1</b>	<b>2.26:1</b>		
<b>WORKING CAPITAL:</b> (Current Assets less Current Liabilities)	<b>\$39,500,952</b>	<b>\$26,950,629</b>	<b>\$12,550,323</b>	<b>47%</b>

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

	1/31/2008			1/31/2007		
	ACTUAL	BUDGET	PCT VAR	ACTUAL	PCT VAR	
<b>ENERGY SALES RETAIL - REVENUE</b>						
Residential	\$5,149,315	\$5,494,924	-6%	\$5,677,396	-9%	
Small General Service	606,951	678,600	-11%	674,467	-10%	
Medium General Service	803,106	868,173	-7%	852,722	-6%	
Large General Service	931,881	1,055,705	-12%	1,050,481	-11%	
Large Industrial	215,702	59,424	263%	66,203	226%	
Small Irrigation	118	210	-44%	914	-87%	
Large Irrigation	12,002	11,084	8%	13,673	-12%	
Street Lights	33,169	33,129	0%	33,725	-2%	
Security Lights	16,213	16,637	-3%	16,662	-3%	
Unmetered Accounts	11,652	11,417	2%	12,070	-3%	
<b>Billed Revenues Before Taxes</b>	<b>\$7,780,109</b>	<b>\$8,229,303</b>	<b>-5%</b>	<b>\$8,398,312</b>	<b>-7%</b>	
City Occupation Taxes	456,900	407,009	12%	484,241	-6%	
Bad Debt Expense (reduced from .4% to .3% of retail sales in July 2007)	(25,000)	(38,343)	-35%	(36,000)	-31%	
Unbilled Revenue	5,000	5,000	0%	276,000	-98%	
<b>TOTAL SALES - REVENUE</b>	<b>\$8,217,009</b>	<b>\$8,602,969</b>	<b>-4%</b>	<b>\$9,122,553</b>	<b>-10%</b>	
<b>ENERGY SALES RETAIL - kWh</b>						
Residential	81,834,824	89,628,558	-9%	87,319,056	-6%	
Small General Service	10,544,341	12,223,607	-14%	11,256,612	-6%	
Medium General Service	14,649,772	16,259,340	-10%	14,913,657	-2%	
Large General Service	18,167,040	21,091,131	-14%	19,480,750	-7%	
Large Industrial	5,084,745	1,488,000	242%	1,536,265	231%	
Small Irrigation	1,895	3,587	-47%	13,587	-86%	
Large Irrigation	274,289	239,796	14%	343,922	-20%	
Street Lights	317,031	352,492	-10%	344,217	-8%	
Security Lights	79,929	86,496	-8%	85,158	-6%	
Unmetered Accounts	234,224	234,437	0%	237,079	-1%	
<b>TOTAL kWh SOLD</b>	<b>131,188,090</b>	<b>141,607,444</b>	<b>-7%</b>	<b>135,530,303</b>	<b>-3%</b>	
<b>NET POWER COST</b>						
<b>BPA Power Costs</b>						
Slice	\$2,893,157	\$2,882,023	0%	\$2,767,073	5%	
Pre-subscription/Block	2,191,591	2,193,463	0%	2,143,083	2%	
Subtotal	5,084,748	5,075,486	0%	4,910,156	4%	
Other Power Purchases	1,205,624	404,312	198%	779,855	55%	
Frederickson	2,115,356	933,288	127%	2,231,487	-5%	
Transmission	675,070	670,032	1%	636,363	6%	
Ancillary	185,195	186,677	-1%	152,785	21%	
Generation	691	-	n/a	56,563	-99%	
Conservation Program	(47,739)	6,773	-805%	(41,010)	16%	
Gross Power Costs	9,218,944	7,276,569	27%	8,726,199	6%	
Less Sales for Resale-Energy	(5,428,297)	(2,672,620)	103%	(5,052,989)	7%	
Less Sales for Resale-Gas	(58,243)	-	n/a	(536,028)	-89%	
Less Transmission of Power for Others	(15,200)	-	n/a	(16,233)	-6%	
<b>NET POWER COSTS</b>	<b>\$3,717,204</b>	<b>\$4,603,949</b>	<b>-19%</b>	<b>\$3,120,949</b>	<b>19%</b>	
<b>NET POWER - kWh</b>						
<b>BPA Power Costs</b>						
Slice	107,411,000	107,977,030	-1%	120,971,000	-11%	
Pre-subscription/Block	80,352,000	80,352,000	0%	80,352,000	0%	
Subtotal	187,763,000	188,329,030	0%	201,323,000	-7%	
Other Power Purchases	16,792,000	5,167,230	225%	13,958,000	20%	
Frederickson	19,427,000	-	n/a	9,400,000	107%	
Generation	-	-	n/a	-	n/a	
Gross Power kWh	223,982,000	193,496,260	16%	224,681,000	0%	
Less Sales for Resale	(72,066,000)	(47,500,260)	52%	(77,217,000)	-7%	
Less Transmission Losses/Imbalance	(3,432,000)	(3,828,130)	-10%	(3,595,000)	-5%	
<b>NET POWER - kWh</b>	<b>148,484,000</b>	<b>142,167,870</b>	<b>4%</b>	<b>143,869,000</b>	<b>3%</b>	
<b>COST PER MWh: (dollars)</b>						
Gross Power Cost (average)	\$41.16	\$37.61		\$38.84	6%	
Net Power Cost	\$25.03	\$32.38		\$21.69	15%	
BPA Power Cost	\$27.08	\$26.95		\$24.39	11%	
Sales for Resale	\$75.32	\$49.00		\$65.44	15%	
<b>ACTIVE SERVICE AGREEMENTS:</b>						
Residential	38,614			37,834	2%	
Small General Service	4,356			4,242	3%	
Medium General Service	666			641	4%	
Large General Service	130			127	2%	
Large Industrial	3			3	0%	
Small Irrigation	609			601	1%	
Large Irrigation	116			101	15%	
Street Lights	9			9	0%	
Security Lights	1,452			1,429	2%	
Unmetered Accounts	355			354	0%	
<b>TOTAL</b>	<b>46,310</b>			<b>45,341</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>													
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												81,834,824
<b>Small General Service</b>													
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												10,544,341
<b>Medium General Service</b>													
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												14,649,772
<b>Large General Service</b>													
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												18,167,040
<b>Large Industrial</b>													
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												5,084,745
<b>Small Irrigation</b>													
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												1,895
<b>Large Irrigation</b>													
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												274,289
<b>Street Lights</b>													
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	317,031												317,031

**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>Security Lights</b>													
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												79,929
<b>Unmetered</b>													
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												234,224
<b>Total</b>													
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	131,188,090												131,188,090

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

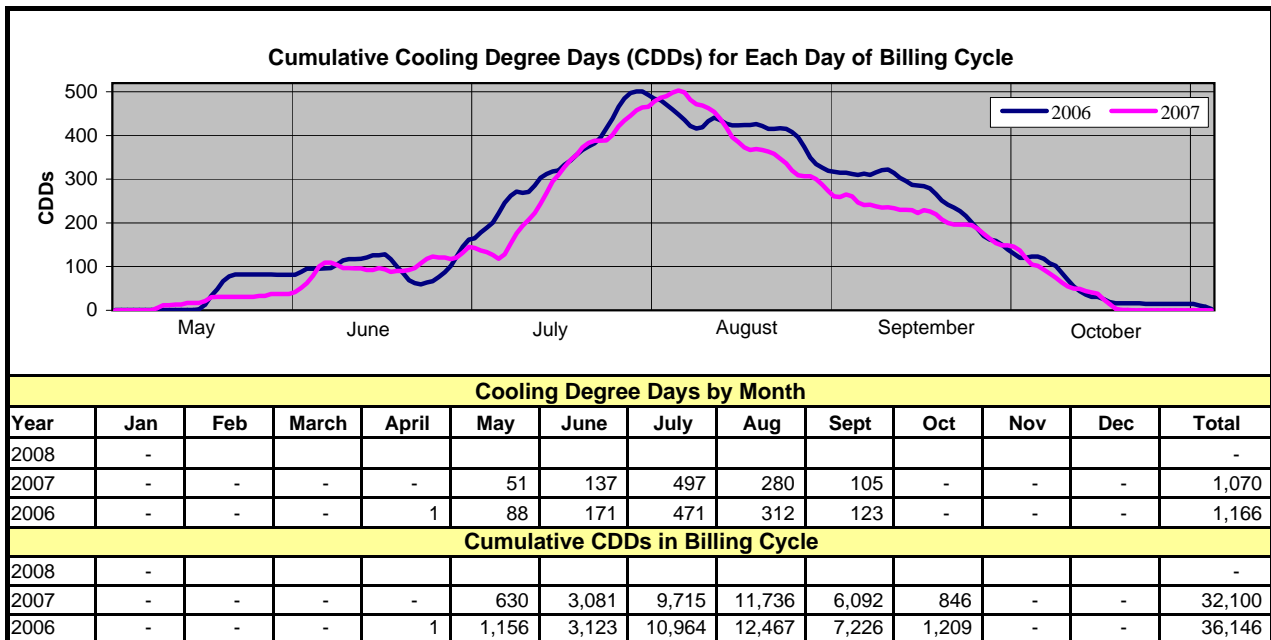
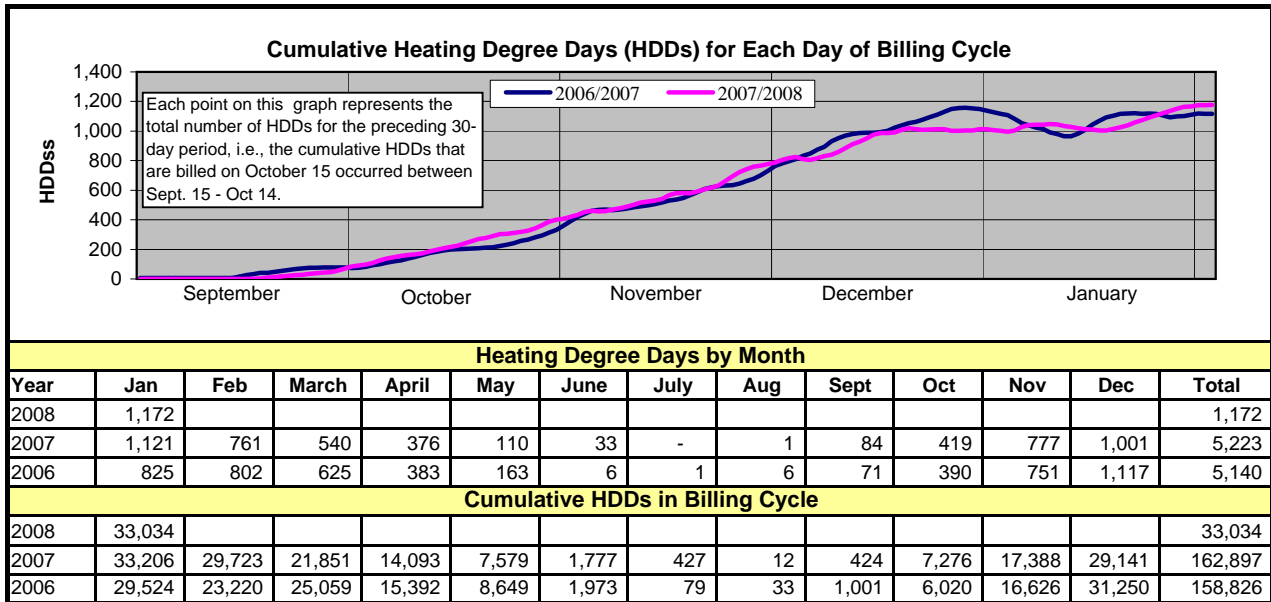
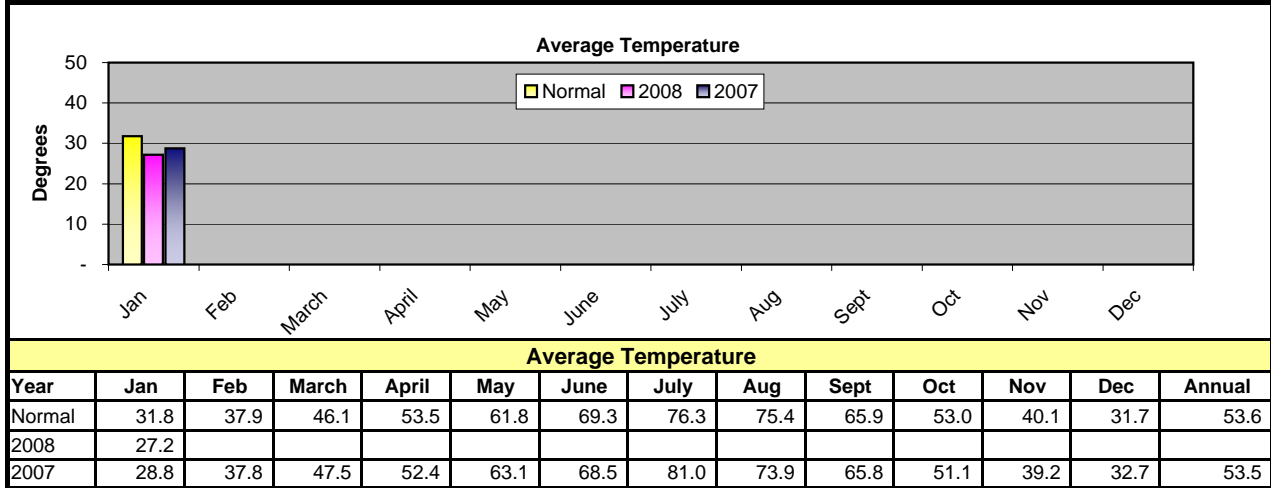
	BALANCE 12/31/2007	ADDITIONS	RETIREMENTS	BALANCE 1/31/2008
<b>INTANGIBLE PLANT:</b>				
Organizations	\$28,379	\$0	\$0	\$28,379
Franchises & Consents	322	-	-	322
Miscellaneous & Intangible Plant	29,078	-	-	29,078
<b>TOTAL</b>	<b>57,780</b>	<b>-</b>	<b>-</b>	<b>57,780</b>
<b>GENERATION PLANT:</b>				
Land & Land Rights	-	-	-	-
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	-	-	-	-
<b>TOTAL</b>	<b>1,403,851</b>	<b>-</b>	<b>-</b>	<b>1,403,851</b>
<b>TRANSMISSION PLANT:</b>				
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	82,582	-	3,771,496
Overhead Conductor & Devices	2,917,921	-	-	2,917,921
<b>TOTAL</b>	<b>7,633,814</b>	<b>157</b>	<b>-</b>	<b>7,633,971</b>
<b>DISTRIBUTION PLANT:</b>				
Land & Land Rights	1,274,070	926	-	1,274,996
Structures & Improvements	228,831	4,105	-	232,936
Station Equipment	29,682,229	18,338	-	29,700,567
Poles, Towers & Fixtures	14,282,734	20,693	(8,339)	14,295,089
Overhead Conductor & Devices	9,714,401	12,919	(1,235)	9,726,085
Underground Conduit	25,157,753	6,345	-	25,164,098
Underground Conductor & Devices	31,953,697	14,653	(1,893)	31,966,456
Line Transformers	22,146,489	8,316	(32,145)	22,122,659
Services-Overhead	2,526,593	4,740	(386)	2,530,946
Services-Underground	14,385,927	51,706	(638)	14,436,996
Meters	4,029,977	25,926	-	4,055,903
Security Lighting	866,922	631	(1,130)	866,423
Street Lighting	1,059,900	25	-	1,059,925
SCADA System	1,501,263	-	-	1,501,263
<b>TOTAL</b>	<b>158,810,785</b>	<b>169,323</b>	<b>(45,766)</b>	<b>158,934,342</b>
<b>GENERAL PLANT:</b>				
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	(35,000)	-	6,262,001
Transportation Equipment	5,707,360	-	-	5,707,360
Stores Equipment	54,108	-	-	54,108
Tools, Shop & Garage Equipment	420,720	-	-	420,720
Laboratory Equipment	519,859	-	-	519,859
Communication Equipment	1,825,703	7,192	-	1,832,895
Broadband Equipment	7,371,736	50,724	-	7,422,460
Miscellaneous Equipment	66,628	-	-	66,628
Allowance for Funds Used During Construction	1,385,814	19,514	-	1,405,328
<b>TOTAL</b>	<b>41,896,125</b>	<b>86,149</b>	<b>-</b>	<b>41,982,274</b>
<b>TOTAL ELECTRIC PLANT ACCOUNTS</b>	<b>209,802,355</b>	<b>255,629</b>	<b>(45,766)</b>	<b>210,012,218</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>4,028,943</b>	<b>218,664</b>	<b>-</b>	<b>4,247,607</b>
<b>TOTAL CAPITAL</b>	<b>\$214,219,887</b>	<b>\$474,293</b>	<b>(\$45,766)</b>	<b>\$214,648,414</b>

**\$1,031,674 Budget**

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

	<b>YTD 1/31/2008</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers and Counterparties	\$14,300,020
Cash Paid to Suppliers and Counterparties	(8,155,634)
Cash Paid to Employees	(821,433)
Taxes Paid	(707,331)
<b>Net Cash Provided by Operating Activities</b>	<b>4,615,622</b>
 <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of Capital Assets	(421,520)
Bond Principal Paid	(201,250)
Bond Interest Paid	(226,257)
Capital Contributions	30,897
Sale of Assets	2,130
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>(816,000)</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Income	143,924
Proceeds from Sale of Investments	507,780
Purchase of Investments	(7,631,933)
Joint Venture Net Revenue (Expense)	(30,133)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(7,010,362)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(3,210,740)</b>
<b>CASH BALANCE, BEGINNING OF YEAR</b>	<b>5,443,077</b>
<b>CASH BALANCE, END OF YEAR</b>	<b>\$2,232,337</b>
 <b>RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Net Operating Revenues	\$1,823,421
Adjustments to reconcile net operating income to net cash provided by operating activities:	
Depreciation & Amortization	774,017
Unbilled Revenues	(5,000)
Decrease (Increase) in Accounts Receivable	150,882
Decrease (Increase) in Inventories	47,697
Decrease (Increase) in Prepaid Expenses	(87,166)
Decrease (Increase) in Accrued Electric Revenue	(1,828,189)
Decrease (Increase) in Miscellaneous Assets	53,804
Decrease (Increase) in Deferred Purchased Power Expense	279,986
Decrease (Increase) in Deferred Regulatory Charges	116,037
Increase (Decrease) in Deferred Regulatory Credits	(240,346)
Increase (Decrease) in Warrants Outstanding	176,587
Increase (Decrease) in Accounts Payable	2,976,395
Increase (Decrease) in Accrued Taxes Payable	255,172
Increase (Decrease) in Customer Deposits	8,442
Increase (Decrease) in Other Current Liabilities	43,335
Increase (Decrease) in Deferred Credits	70,548
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$4,615,622</b>

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



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

**January Highlights**

Benton Franklin Health District connected their new office located in Vista Field to Benton PUD's fiber backbone. Direct mailers were sent out to businesses located in the District's approved Multi-Tenant buildings.

**A C T U A L S**

<b>Operating Activity</b>	<b>2008 Budget</b>	<b>Jan</b>	<b>Feb</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>YTD</b>	<b>Budget Variance</b>	<b>Inception to Date</b>
<b>OPERATING REVENUES</b>	<b>\$867,270</b>															
Ethernet	-	\$21,752												\$21,752		
TDM	-	7,854												7,854		
Wireless	-	297												297		
Co-Location	-	215												215		
Internet Transport Service	-	26,740												26,740		
Fixed Wireless	-	10,207												10,207		
Broadband Revenue - Other	-	460												460		
<i>Subtotal</i>		67,525												67,525		
NoaNet Maintenance Revenue	-	490												490		
Bad Debt Expense	-	(280)												(280)		
<i>Total Operating Revenues</i>	<b>867,270</b>	67,736	-	-	-	-	-	-	-	-	-	-	-	67,736	799,534	1,852,935
<b>OPERATING EXPENSES</b>																2,697,860
Marketing & Business Development	60,000	4,857												4,857	55,143	
General Expenses	633,882	38,277												38,277	595,605	
Other Maintenance	50,012	1,781												1,781	48,231	
NOC Maintenance	39,500	4,960												4,960	34,540	
Wireless Maintenance	-	1,370												1,370	(1,370)	
<i>Subtotal</i>	<b>783,394</b>	51,245	-	-	-	-	-	-	-	-	-	-	-	51,245	732,149	
NoaNet Maintenance Expense	10,981	-												-	10,981	
Depreciation	682,803	56,327												56,327	626,476	2,070,389
<i>Total Operating Expenses</i>	<b>1,477,178</b>	107,572	-	-	-	-	-	-	-	-	-	-	-	107,572	1,369,606	4,768,249
<b>OPERATING INCOME (LOSS)</b>	<b>(609,908)</b>	(39,836)	-	-	-	-	-	-	-	-	-	-	-	(39,836)	570,072	(2,915,314)
<b>NONOPERATING REVENUES &amp; EXPENSES</b>																
Internal Interest due to Power Business Unit <sup>(1)</sup>	(530,876)	(41,285)												(41,285)	489,591	(1,796,014)
Other Revenues & Expenses - Inception to Date																210,299
City of Kennewick HUD Grant																
<b>CAPITAL CONTRIBUTIONS</b>	<b>1,450,000</b>	-													(1,450,000)	146,574
<b>INTERNAL NET INCOME (LOSS)</b>	<b>\$309,216</b>	(\$81,121)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$81,121)	(\$390,337)	(\$4,354,455)
<b>NOANET COSTS</b>																
Member Assessments	\$361,600	\$30,133												\$30,133		\$2,406,937
Membership Support		108												108		60,224
<i>Total NoaNet Costs</i>	<b>\$361,600</b>	\$30,241	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,241	\$331,359	\$2,467,161
<b>CAPITAL EXPENDITURES</b>	<b>\$2,657,921</b>	\$25,432												\$25,432	\$2,632,489	\$7,629,832
<b>NET CASH FUNDING OF BROADBAND<sup>(2)</sup></b>		\$39,182	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$39,182		\$10,585,045

(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



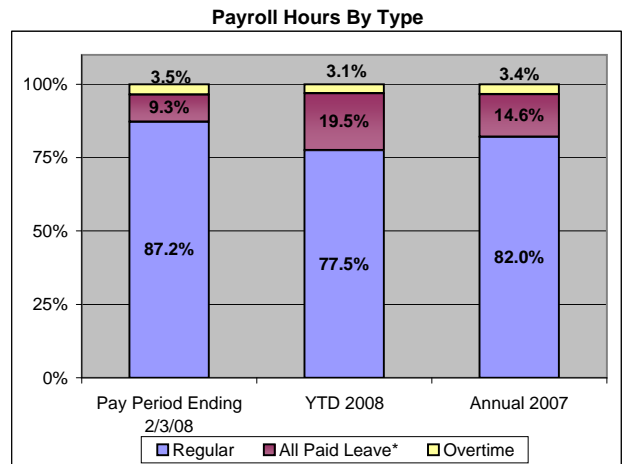
# Payroll Report

Pay Period Ending February 3, 2008

Headcount				
Directorate	Department	2008 Budget	2008 Actual	Over (Under) Actual to Budget
<b>Executive Administration</b>		7.0	7.0	-
<b>Finance &amp; Business Services</b>				
	Director of Finance	5.0	5.0	-
	Accounting	7.0	7.0	-
	Information Systems	8.0	8.0	-
	Key Accounts	4.0	4.0	-
	Customer Service	27.0	27.0	-
<b>Engineering</b>				
	Engineering	8.0	9.0	1.0
	Customer Engineering	10.0	9.0	(1.0)
<b>Operations</b>				
	Operations	7.0	7.0	-
	General Foreman	27.0	28.0	1.0
	Supervisor of Operations	2.0	2.0	-
	Meter Shop	5.0	5.0	-
	Transformer Shop	7.0	7.0	-
	Automotive Shop	4.0	4.0	-
	Warehouse	7.0	7.0	-
	Prosser Branch	6.0	5.0	(1.0)
	Broadband	4.0	4.0	-
<b>Power Management</b>				
	Director of Power Management	4.0	4.0	-
	Products & Services	4.0	4.0	-
<b>Total Positions</b>		<b>153.0</b>	<b>153.0</b>	<b>-</b>

Contingent Positions					
Position	Department	Hours			% YTD to Budget
		2008 Budget	Pay Period Ending 2/3/08	2008 Actual YTD	
HR Intern	Human Resources	520	-	-	-
Meter Readers On-Call	Customer Service	1,040	16	88	8%
NECA Lineman	Operations	2,080	80	119	6%
CSR On-Call - Prosser	Prosser Branch	1,560	165	496	32%
CSR On-Call - Kennewick	Customer Service	1,040	-	24	2%
<b>Total All Contingent Positions</b>		<b>6,240</b>	<b>261</b>	<b>727</b>	<b>12%</b>

2008 Labor Budget			
	As of 1/31/08		8% through the year
Labor Type	2008 Budget	YTD Actual	% Spent
Regular	\$10,538,355	\$907,973	9%
Overtime	515,971	40,509	8%
Subtotal	11,054,326	948,482	9%
Less: Mutual Aid	-	-	-
<b>Total</b>	<b>\$11,054,326</b>	<b>\$948,482</b>	<b>9%</b>



\* All Paid Leave includes personal leave, holidays, sick pay, jury duty pay, and military leave pay.