



## FINANCIAL STATEMENTS

JANUARY 2010

*(Unaudited)*

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## Financial Highlights January 2010



Issue date: 2/25/10

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

- District operations resulted in an increase in net assets of \$966,000 for the month.
- The average temperature of 38.0° was 6.2° above normal making this the sixth warmest January on record. Cumulative heating degree days were down 11% from last year.
- Total retail kWh billed during January was down 5% from last year with an 8% decrease in the residential customer class.
- Net power supply costs were \$4.6 million for the month with sales for resale of \$2.8 million and an average price of \$58 per MWh.
- January's non-power operating costs of \$1.3 million before taxes and depreciation were 13% below budget.
- Capital expenditures were \$620,000 for the month.

*(in thousands of dollars)*

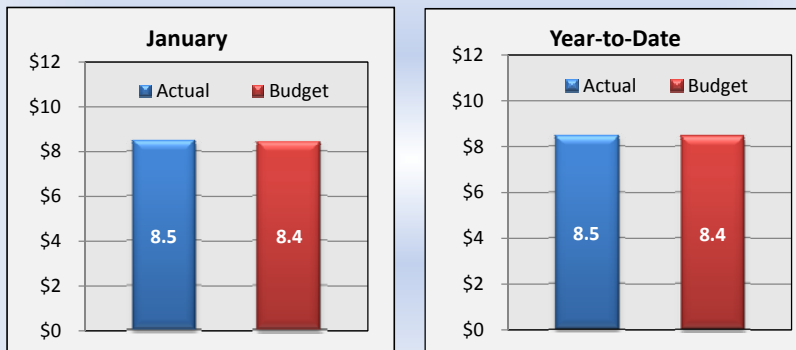
Change in Net Assets	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
Actual	\$966												\$966	
Budget	\$376												\$376	(\$90)

Net Power Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
Power Supply Costs	\$7,398												\$7,398	\$87,557
Less: Sales for Resale	(2,766)												(2,766)	(27,562)
Net Power Costs	\$4,632	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,632	\$59,995

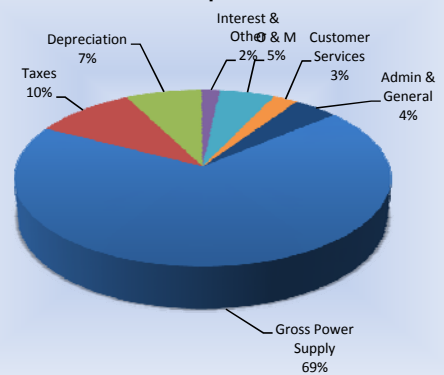
Net Capital Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
Capital Expenditures	\$620												\$620	\$17,654
Less: Capital Contributions	(25)												(25)	(1,510)
Net Capital Costs	\$595	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$595	\$16,144

Load Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
aMW - Retail Sales Billed	192												192	188
aMW - Sales for Resale	63												63	24

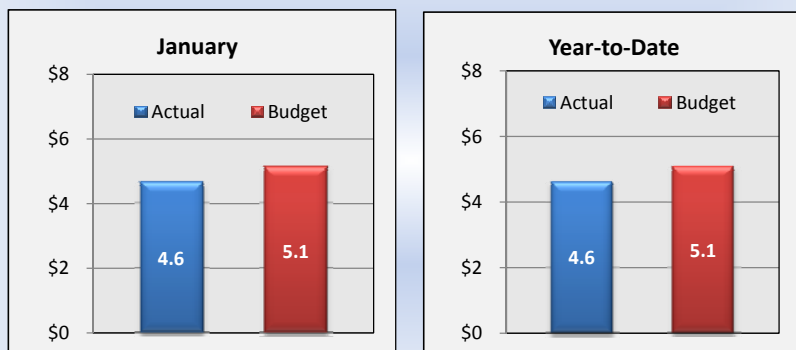
**Total Retail Revenue**  
*(in millions of dollars)*



**Total Expenses**



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



**Key Ratios**

Current Ratio	3.08 : 1
Debt Service Coverage (2007 actual)	4.12
Debt Service Coverage (2008 actual)	3.18
Debt Service Coverage (2009 actual)	4.57
Debt Service Coverage (2010 projection)	2.59
<i>(includes capital contributions)</i>	

**Other Statistics**

Unrestricted Undesignated Reserves	\$ 28.3 million
Rate Stabilization Account (designated)	\$ 5.1 million
Bond Principal & Interest (restricted)	\$ 1.3 million
Net Utility Plant	\$ 115.6 million
Long-Term Debt	\$ 51.5 million
Active Service Agreements	47,313
Employees	149

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

	1/31/2010			1/31/2009	
	ACTUAL	BUDGET	PCT VAR	ACTUAL	PCT VAR
<b>OPERATING REVENUES</b>					
Energy Sales - Retail	\$8,479,825	\$8,431,037	1%	\$8,419,797	1%
Energy Sales for Resale	2,749,856	2,297,381	20%	4,542,575	-39%
Transmission of Power for Others	15,672	-	n/a	14,445	8%
Broadband Revenue	88,523	90,554	-2%	73,525	20%
Other Revenue	366,436	421,424	-13%	394,578	-7%
<b>TOTAL OPERATING REVENUES</b>	<b>11,700,313</b>	<b>11,240,396</b>	<b>4%</b>	<b>13,444,919</b>	<b>-13%</b>
<b>OPERATING EXPENSES</b>					
Purchased Power	6,589,084	6,324,538	4%	5,312,437	24%
Purchased Transmission & Ancillary Services	816,739	943,137	-13%	760,482	7%
Conservation Program	(7,924)	124,999	-106%	(35,857)	-78%
Total Power Supply	7,397,899	7,392,674	0%	6,037,062	23%
Transmission Operation & Maintenance	11,107	1,953	n/a	1,780	n/a
Distribution Operation & Maintenance	514,009	609,431	-16%	656,738	-22%
Broadband Expense	53,554	56,454	-5%	28,237	90%
Customer Accounting, Collection & Information	262,359	334,687	-22%	257,814	2%
Administrative & General	472,221	501,341	-6%	535,395	-12%
Subtotal before Taxes & Depreciation	1,313,251	1,503,866	-13%	1,479,964	-11%
Taxes	1,064,589	1,038,802	2%	990,697	7%
Depreciation & Amortization	800,526	881,091	-9%	792,966	1%
Total Other Operating Expenses	3,178,366	3,423,759	-7%	3,263,628	-3%
<b>TOTAL OPERATING EXPENSES</b>	<b>10,576,264</b>	<b>10,816,433</b>	<b>-2%</b>	<b>9,300,690</b>	<b>14%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,124,048</b>	<b>423,963</b>	<b>165%</b>	<b>4,144,230</b>	<b>-73%</b>
<b>NONOPERATING REVENUES &amp; EXPENSES</b>					
Interest Income	8,159	37,500	-78%	35,606	-77%
Other Income	66	208	-68%	3	n/a
Other Expense	-	-	n/a	(1,675)	n/a
Interest Expense	(170,908)	(191,303)	-11%	(199,151)	-14%
Debt Discount & Expense Amortization	(2,347)	(2,301)	2%	(2,889)	-19%
Loss in Joint Ventures/Special Assessments	(17,600)	(17,592)	0%	(17,600)	0%
<b>TOTAL NONOPERATING REVENUES &amp; EXPENSES</b>	<b>(182,629)</b>	<b>(173,488)</b>	<b>5%</b>	<b>(185,706)</b>	<b>-2%</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS &amp; EXTRAORDINARY ITEMS</b>	<b>941,419</b>	<b>250,475</b>	<b>n/a</b>	<b>3,958,524</b>	<b>-76%</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>24,922</b>	<b>125,866</b>	<b>-80%</b>	<b>14,166</b>	<b>76%</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>\$966,340</b>	<b>\$376,341</b>	<b>157%</b>	<b>\$3,972,689</b>	<b>-76%</b>

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

	1/31/2010	1/31/2009	Increase/(Decrease)	
			Amount	Percent
<b>CURRENT ASSETS</b>				
Cash & Working Funds	\$2,913,562	\$2,423,599	\$489,962	
Temporary Investments	30,564,888	28,872,156	1,692,732	
Restricted Funds	86,976	-	86,976	
Bond Fund Principal & Interest	1,283,813	1,282,920	893	
Notes Receivable, City of Richland	-	650,000	(650,000)	
Accounts Receivable, net	9,305,354	8,506,420	798,933	
Accrued Unbilled Revenue	3,000,000	3,480,000	(480,000)	
Inventory Materials & Supplies	3,053,469	3,049,060	4,409	
Prepayments	171,985	139,777	32,208	
Accrued Electric Revenue	2,354,682	4,116,780	(1,762,098)	
<b>Total Current Assets</b>	<b>52,734,727</b>	<b>52,520,711</b>	<b>214,016</b>	<b>0%</b>
<b>NONCURRENT ASSETS</b>				
Other Receivables	100,000	50,000	50,000	
Ownership Interest in GHFB, LLP	-	25,390	(25,390)	
Unamortized Debt Expense	578,413	677,549	(99,136)	
Preliminary Surveys	36,201	35,456	745	
Deferred Regulatory Charges	600,247	1,023,173	(422,926)	
Deferred Purchased Power Costs	13,167,674	23,670,734	(10,503,060)	
Other Deferred Charges	16,029	107,877	(91,848)	
	<b>14,498,563</b>	<b>25,590,178</b>	<b>(11,091,615)</b>	<b>-43%</b>
<b>Utility Plant</b>				
Land and Intangible Plant	3,039,713	3,027,187	12,527	
Electric Plant in Service	225,388,890	216,618,004	8,770,886	
Construction Work in Progress	8,297,733	3,886,183	4,411,549	
Accumulated Depreciation	(121,139,079)	(113,799,513)	(7,339,566)	
<b>Net Utility Plant</b>	<b>115,587,256</b>	<b>109,731,861</b>	<b>5,855,396</b>	<b>5%</b>
<b>Total Noncurrent Assets</b>	<b>130,085,820</b>	<b>135,322,039</b>	<b>(5,236,219)</b>	<b>-4%</b>
<b>TOTAL ASSETS</b>	<b>\$182,820,546</b>	<b>\$187,842,750</b>	<b>(\$5,022,203)</b>	<b>-3%</b>

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

	1/31/2010	1/31/2009	Increase/(Decrease)	
			Amount	Percent
<b>CURRENT LIABILITIES</b>				
Warrants Outstanding	\$523,368	\$375,999	\$147,370	
Accounts Payable	7,852,236	7,080,624	771,611	
Customer Deposits	993,500	1,008,610	(15,110)	
Accrued Taxes Payable	2,952,517	2,757,594	194,922	
Other Current & Accrued Liabilities	1,526,311	1,474,448	51,863	
Accrued Interest Payable	626,312	650,420	(24,108)	
Revenue Bonds, Current Portion	2,630,000	2,530,000	100,000	
<b>Total Current Liabilities</b>	<b>17,104,245</b>	<b>15,877,695</b>	<b>1,226,549</b>	<b>8%</b>
<b>NONCURRENT LIABILITIES</b>				
2001 Bond Issue	24,660,000	26,265,000	(1,605,000)	
2002 Bond Issue	17,305,000	17,305,000	-	
2005 Bond Issue	6,270,000	7,295,000	(1,025,000)	
Unamortized Premium & Discount	835,710	972,581	(136,871)	
Unamortized Loss on Defeased Debt	(243,429)	(314,750)	71,320	
Deferred Revenue	289,583	133,857	155,726	
Deferred Regulatory Credits	2,852,406	14,872,934	(12,020,528)	
Other Liabilities	1,914,187	2,408,133	(493,947)	
<b>Total Noncurrent Liabilities</b>	<b>53,883,457</b>	<b>68,937,757</b>	<b>(15,054,300)</b>	<b>-22%</b>
<b>Total Liabilities</b>	<b>70,987,701</b>	<b>84,815,452</b>	<b>(13,827,751)</b>	<b>-16%</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	64,787,475	56,311,529	8,475,946	
Unrestricted	47,045,370	46,715,769	329,601	
<b>Total Net Assets</b>	<b>111,832,845</b>	<b>103,027,298</b>	<b>8,805,548</b>	<b>9%</b>
<b>TOTAL NET ASSETS AND LIABILITIES</b>	<b>\$182,820,546</b>	<b>\$187,842,750</b>	<b>(\$5,022,203)</b>	<b>-3%</b>
<b>CURRENT RATIO:</b>	<b>3.08:1</b>	<b>3.31:1</b>		
(Current Assets / Current Liabilities)				
<b>WORKING CAPITAL:</b>	<b>\$35,630,482</b>	<b>\$36,643,016</b>	<b>(\$1,012,533)</b>	<b>-3%</b>
(Current Assets less Current Liabilities)				

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

	1/31/2010			1/31/2009	
	ACTUAL	BUDGET	PCT VAR	ACTUAL	PCT VAR
<b>ENERGY SALES RETAIL - REVENUE</b>					
Residential	\$5,683,438	\$5,535,367	3%	\$5,478,140	4%
Small General Service	657,865	707,652	-7%	591,044	11%
Medium General Service	831,136	934,928	-11%	759,102	9%
Large General Service	988,041	1,052,543	-6%	852,714	16%
Large Industrial	247,929	128,014	94%	133,030	86%
Small Irrigation	713	403	77%	346	106%
Large Irrigation	11,927	14,434	-17%	19,654	-39%
Street Lights	33,484	35,217	-5%	33,184	1%
Security Lights	17,187	17,393	-1%	15,872	8%
Unmetered Accounts	12,268	12,209	0%	11,438	7%
<b>Billed Revenues Before Taxes</b>	<b>\$8,483,988</b>	<b>\$8,438,160</b>	<b>1%</b>	<b>\$7,894,525</b>	<b>7%</b>
City Occupation Taxes	513,838	511,408	0%	481,272	7%
Bad Debt Expense (0.3% of retail sales)	(27,000)	(27,531)	-2%	(26,000)	4%
Unbilled Revenue	(491,000)	(491,000)	0%	70,000	-801%
<b>TOTAL SALES - REVENUE</b>	<b>\$8,479,825</b>	<b>\$8,431,037</b>	<b>1%</b>	<b>\$8,419,797</b>	<b>1%</b>
<b>ENERGY SALES RETAIL - kWh</b>					
Residential	90,401,297	84,445,044	7%	98,601,772	-8%
Small General Service	11,298,796	12,043,645	-6%	11,807,185	-4%
Medium General Service	14,902,921	16,516,458	-10%	16,112,056	-8%
Large General Service	19,010,500	20,117,350	-6%	19,585,580	-3%
Large Industrial	6,226,555	2,978,056	109%	2,982,290	109%
Small Irrigation	3,396	6,507	-48%	2,334	46%
Large Irrigation	251,961	320,986	-22%	390,743	-36%
Street Lights	359,359	347,106	4%	354,823	1%
Security Lights	87,282	84,718	3%	86,958	0%
Unmetered Accounts	240,695	236,221	2%	238,964	1%
<b>TOTAL kWh BILLED</b>	<b>142,782,762</b>	<b>137,096,090</b>	<b>4%</b>	<b>150,162,705</b>	<b>-5%</b>
<b>NET POWER COST</b>					
BPA Power Costs					
Slice	\$3,116,146	\$3,309,672	-6%	\$2,313,670	35%
Block	2,305,031	2,104,098	10%	1,726,423	34%
Subtotal	5,421,177	5,413,771	0%	4,040,094	34%
Other Power Purchases	513,941	283,508	81%	641,579	-20%
Frederickson	653,966	627,259	4%	630,764	4%
Transmission	638,828	659,923	-3%	636,182	0%
Ancillary	177,911	283,214	-37%	124,300	43%
Conservation Program	(7,924)	124,999	-106%	(35,857)	-78%
Gross Power Costs	7,397,899	7,392,674	0%	6,037,062	23%
Less Sales for Resale-Energy	(2,749,856)	(2,297,381)	20%	(4,542,575)	-39%
Less Sales for Resale-Gas	-	-	n/a	-	n/a
Less Transmission of Power for Others	(15,672)	-	n/a	(14,445)	8%
<b>NET POWER COSTS</b>	<b>\$4,632,371</b>	<b>\$5,095,293</b>	<b>-9%</b>	<b>\$1,480,042</b>	<b>213%</b>
<b>NET POWER - kWh</b>					
BPA Power Costs					
Slice	87,954,000	110,200,755	-20%	118,823,000	-26%
Block	83,328,000	75,796,222	10%	83,328,000	0%
Subtotal	171,282,000	185,996,976	-8%	202,151,000	-15%
Other Power Purchases	9,515,265	4,340,849	119%	13,956,895	-32%
Frederickson	-	-	n/a	-	n/a
Gross Power kWh	180,797,265	190,337,826	-5%	216,107,895	-16%
Less Sales for Resale	(47,049,000)	(14,692,486)	220%	(69,344,000)	-32%
Less Transmission Losses/Imbalance	(2,794,000)	(3,386,111)	-17%	(2,705,000)	3%
<b>NET POWER - kWh</b>	<b>130,954,265</b>	<b>172,259,229</b>	<b>-24%</b>	<b>144,058,895</b>	<b>-9%</b>
<b>COST PER MWh: (dollars)</b>					
Gross Power Cost (average)	\$40.92	\$38.84		\$27.94	46%
Net Power Cost	\$35.37	\$29.58		\$10.27	244%
BPA Power Cost	\$31.65	\$29.11		\$19.99	58%
Sales for Resale	\$58.45	\$55.28		\$65.51	-11%
<b>ACTIVE SERVICE AGREEMENTS:</b>					
Residential	39,428			39,090	1%
Small General Service	4,482			4,441	1%
Medium General Service	707			685	3%
Large General Service	135			132	2%
Large Industrial	3			3	0%
Small Irrigation	602			613	-2%
Large Irrigation	133			123	8%
Street Lights	9			9	0%
Security Lights	1,459			1,446	1%
Unmetered Accounts	355			354	0%
<b>TOTAL</b>	<b>47,313</b>			<b>46,896</b>	<b>1%</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>													
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	43,970,846	38,072,079	46,337,801	78,579,068	666,417,578
2009	98,601,772	77,247,228	67,671,008	53,219,407	43,898,830	43,659,051	50,876,351	60,447,960	45,843,492	41,646,110	53,763,359	84,844,699	721,719,267
2010	90,401,297												90,401,297
<b>Small General Service</b>													
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	9,626,841	8,684,988	7,925,816	10,966,554	115,615,622
2009	11,807,185	10,723,034	9,675,315	8,562,584	9,344,143	9,469,917	11,094,421	11,678,019	10,113,040	8,662,900	9,000,895	11,448,831	121,580,284
2010	11,298,796												11,298,796
<b>Medium General Service</b>													
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	14,835,007	13,874,446	12,458,459	15,558,824	169,571,468
2009	16,112,056	13,913,514	13,573,677	12,662,406	13,726,067	14,181,773	15,907,561	16,841,574	14,823,993	13,309,937	14,062,443	16,149,687	175,264,688
2010	14,902,921												14,902,921
<b>Large General Service</b>													
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	20,603,640	22,055,080	18,900,700	20,249,960	224,957,680
2009	19,585,580	17,240,600	17,376,880	16,991,180	20,858,840	18,416,660	18,945,860	21,096,340	22,216,060	21,879,100	19,785,840	19,017,440	233,410,380
2010	19,010,500												19,010,500
<b>Large Industrial</b>													
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	1,309,740	4,917,565	1,444,455	4,220,715	47,760,295
2009	2,982,290	4,285,600	4,812,390	1,360,520	4,633,760	3,332,140	2,043,350	4,967,740	1,879,770	2,670,900	3,311,612	2,629,005	38,909,077
2010	6,226,555												6,226,555
<b>Small Irrigation</b>													
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	2,308,886	1,082,788	29,373	2,838	16,042,770
2009	2,334	3,170	389,113	1,283,572	1,972,817	3,065,772	3,539,389	2,927,449	2,503,354	1,191,893	(123)	4,783	16,883,523
2010	3,396												3,396
<b>Large Irrigation</b>													
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	58,696,314	75,080,959	89,956,008	66,771,307	34,451,232	21,588,462	3,993,962	(781,495)	391,388,869
2009	390,743	360,389	6,088,059	29,545,138	60,750,300	93,137,422	95,856,429	67,554,570	37,019,846	17,391,769	1,977,631	313,394	410,385,690
2010	251,961												251,961
<b>Street Lights</b>													
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	351,835	353,131	353,131	353,815	4,218,024
2009	354,823	354,823	354,823	355,057	355,057	355,057	355,165	355,165	355,165	355,489	357,667	359,539	4,267,830
2010	359,359												359,359

**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>													
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	86,814	86,706	86,706	86,778	1,035,783
2009	86,958	86,958	87,066	87,066	87,102	87,030	87,030	87,066	87,174	87,246	87,246	87,282	1,045,224
2010	87,282												87,282
<b>Unmetered</b>													
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	237,134	238,862	238,862	238,964	2,848,213
2009	238,964	238,964	239,656	239,656	239,656	239,571	239,571	239,571	239,571	239,571	239,571	240,695	2,875,017
2010	240,695												240,695
<b>Total</b>													
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	142,608,313	164,319,953	195,215,465	174,544,758	127,781,975	110,954,107	91,769,265	129,476,021	1,639,856,302
2009	150,162,705	124,454,280	120,267,987	124,306,586	155,866,572	185,944,393	198,945,127	186,195,454	135,081,465	107,434,915	102,586,141	135,095,355	1,726,340,980
2010	142,782,762												142,782,762

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

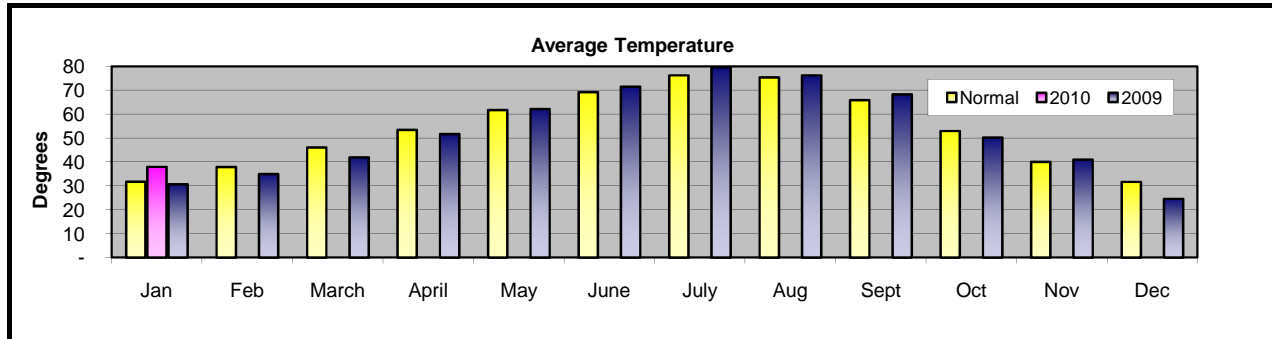
	BALANCE 12/31/2009	ADDITIONS	RETIREMENTS	BALANCE 1/31/2010
<b>INTANGIBLE PLANT:</b>				
Organizations	\$28,379	\$0	\$0	\$28,379
Franchises & Consents	322	-	-	322
Miscellaneous & Intangible Plant	29,078	-	-	29,078
<b>TOTAL</b>	<b>57,780</b>	<b>-</b>	<b>-</b>	<b>57,780</b>
<b>GENERATION PLANT:</b>				
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	832,047	-	-	832,047
Towers & Fixtures	-	-	-	-
Poles & Fixtures	3,731,249	-	-	3,731,249
Overhead Conductor & Devices	2,975,513	-	-	2,975,513
<b>TOTAL</b>	<b>7,705,730</b>	<b>-</b>	<b>-</b>	<b>7,705,730</b>
<b>DISTRIBUTION PLANT:</b>				
Land & Land Rights	1,293,164	4,300	-	1,297,464
Structures & Improvements	232,936	-	-	232,936
Station Equipment	32,478,718	-	-	32,478,718
Poles, Towers & Fixtures	15,300,070	68,370	(3,303)	15,365,137
Overhead Conductor & Devices	10,335,313	22,402	(5,128)	10,352,586
Underground Conduit	26,829,558	96,742	(12,114)	26,914,186
Underground Conductor & Devices	34,151,120	169,963	(47,882)	34,273,201
Line Transformers	23,361,402	105,440	(28,279)	23,438,562
Services-Overhead	2,608,641	5,857	(785)	2,613,713
Services-Underground	15,494,959	32,652	(652)	15,526,958
Meters	6,262,118	1,486	-	6,263,603
Security Lighting	869,427	1,183	(1,414)	869,195
Street Lighting	1,062,874	-	-	1,062,874
SCADA System	1,706,162	-	-	1,706,162
<b>TOTAL</b>	<b>171,986,461</b>	<b>508,393</b>	<b>(99,558)</b>	<b>172,395,296</b>
<b>GENERAL PLANT:</b>				
Land & Land Rights	1,128,959	-	-	1,128,959
Structures & Improvements	17,580,646	-	-	17,580,646
Information Systems & Technology	6,719,715	-	-	6,719,715
Transportation Equipment	6,119,824	-	-	6,119,824
Stores Equipment	54,108	-	-	54,108
Tools, Shop & Garage Equipment	425,018	-	-	425,018
Laboratory Equipment	554,548	2,003	-	556,550
Communication Equipment	1,912,189	82,034	-	1,994,223
Broadband Equipment	8,621,711	162,325	-	8,784,036
Miscellaneous Equipment	97,846	-	-	97,846
Allowance for Funds Used During Construction	2,927,889	88,543	-	3,016,432
<b>TOTAL</b>	<b>46,142,453</b>	<b>334,905</b>	<b>-</b>	<b>46,477,357</b>
<b>TOTAL ELECTRIC PLANT ACCOUNTS</b>	<b>227,296,275</b>	<b>843,298</b>	<b>(99,558)</b>	<b>228,040,014</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>8,520,861</b>	<b>(223,128)</b>	<b>-</b>	<b>8,297,733</b>
<b>TOTAL CAPITAL</b>	<b>\$236,205,725</b>	<b>\$620,169</b>	<b>(\$99,558)</b>	<b>\$236,726,336</b>

**\$1,471,184 Budget**

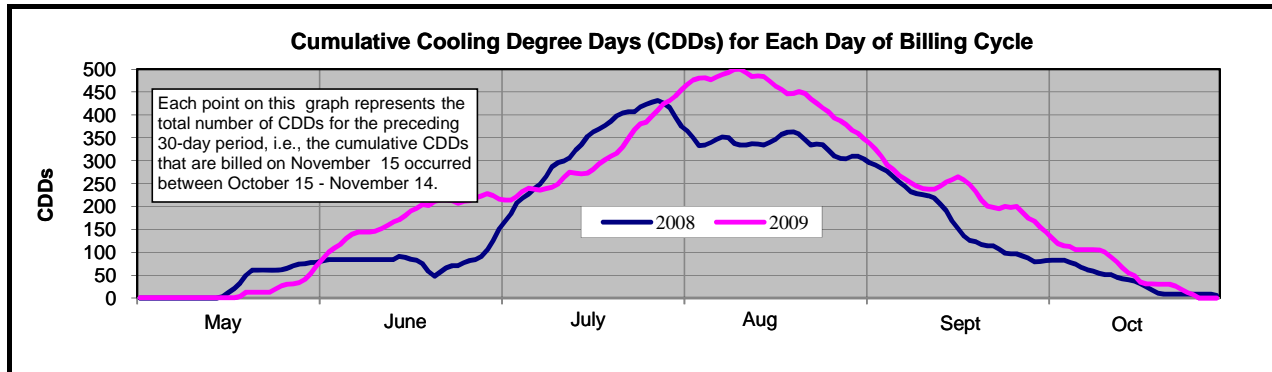
**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY  
STATEMENT OF CASH FLOWS**

	<b>YTD 01/31/2010</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers and Counterparties	\$10,167,348
Cash Paid to Suppliers and Counterparties	(4,583,086)
Cash Paid to Employees	(1,334,396)
Taxes Paid	(771,743)
<b>Net Cash Provided by Operating Activities</b>	<b>3,478,123</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Other Income	45
Other Expense	0
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>45</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of Capital Assets	(556,974)
Bond Principal Paid	(219,167)
Bond Interest Paid	(208,771)
Capital Contributions	24,922
Sale of Assets	14,314
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>(945,676)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Income	8,159
Proceeds from Sale of Investments	1,500,000
Purchase of Investments	(2,507,769)
Joint Venture Net Revenue (Expense)	(17,600)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(1,017,210)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>1,515,282</b>
<b>CASH BALANCE, BEGINNING OF YEAR</b>	<b>1,398,280</b>
<b>CASH BALANCE, END OF YEAR</b>	<b>\$2,913,562</b>
<b>RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Net Operating Revenues	\$1,124,048
Adjustments to reconcile net operating income to net cash provided by operating activities:	
Depreciation & Amortization	800,526
Unbilled Revenues	491,000
Decrease (Increase) in Accounts Receivable	(1,041,965)
Decrease (Increase) in Inventories	(45,943)
Decrease (Increase) in Prepaid Expenses	57,758
Decrease (Increase) in Accrued Electric Revenue	230,673
Decrease (Increase) in Miscellaneous Assets	14,263
Decrease (Increase) in Deferred Purchased Power Expense	511,700
Decrease (Increase) in Deferred Derivative Charges	47,730
Increase (Decrease) in Deferred Derivative Credits	(443,500)
Increase (Decrease) in Warrants Outstanding	199,584
Increase (Decrease) in Accounts Payable	1,182,919
Increase (Decrease) in Accrued Taxes Payable	292,846
Increase (Decrease) in Customer Deposits	1,049
Increase (Decrease) in Other Current Liabilities	94,310
Increase (Decrease) in Deferred Credits	(38,875)
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$3,478,123</b>

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY  
WEATHER STATISTICS  
January 31, 2010**

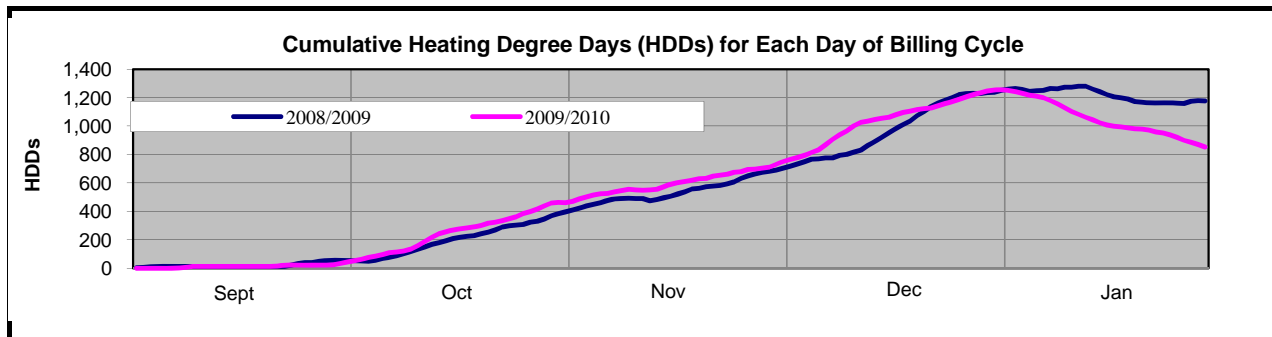


Average Temperature													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Annual
Normal	31.8	37.9	46.1	53.5	61.8	69.3	76.3	75.4	65.9	53.0	40.1	31.7	53.6
2010	38.0												
2009	30.7	35.0	41.9	51.7	62.2	71.5	79.7	76.3	68.3	50.2	41.0	24.6	52.4



Cooling Degree Days by Month													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2010	-	-	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	1	85	202	455	348	144	-	-	-	1,235
2008	-	-	-	-	81	148	375	304	80	3	-	-	991

Cumulative CDDs in Billing Cycle													
2010	-	-	-	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	9	394	5,253	9,315	13,995	7,324	1,995	-	-	38,285
2008	-	-	-	-	926	2,447	10,155	10,499	5,445	1,245	4	-	30,721



Heating Degree Days by Month													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2010	833												833
2009	1,061	842	715	397	174	9	-	-	45	460	722	1,254	5,679
2008	1,172	708	670	481	123	56	-	5	52	396	680	1,238	5,581

Cumulative HDDs in Billing Cycle													
2010	32,833												32,833
2009	36,918	28,852	26,033	16,604	10,060	1,779	160	-	378	7,630	17,717	31,579	177,710
2008	33,034	30,216	21,091	18,699	10,176	2,400	426	14	607	6,144	15,883	29,585	168,275

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

**January Highlights**

New fiber connections for three businesses have been completed for a one year term. These businesses include Northwest CPA, KGH Physician Clinic and Desert Winds Wireless. Additionally Meier Architecture was connected in January and has agreed to a 3 year term.

	2010	ACTUALS												Budget Variance	Inception to Date	
	Budget	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec			YTD
<b>OPERATING REVENUES</b>	<b>\$1,086,653</b>															
Ethernet	-	\$38,685												\$38,685		
TDM	-	12,885												12,885		
Wireless	-	266												266		
Co-Location	-	-												0		
Internet Transport Service	-	25,858												25,858		
Fixed Wireless	-	11,148												11,148		
Broadband Revenue - Other	-	30												30		
<i>Subtotal</i>		88,873	-	-	-	-	-	-	-	-	-	-	-	88,873		
NoaNet Maintenance Revenue	-													-		
Bad Debt Expense	-	(350)												(350)		
<i>Total Operating Revenues</i>	<b>1,086,653</b>	88,523	-	-	-	-	-	-	-	-	-	-	-	88,523	<b>998,130</b>	<b>\$3,670,407</b>
<b>OPERATING EXPENSES</b>																
Marketing & Business Development	<b>75,000</b>	5,861												5,861	<b>69,139</b>	
General Expenses	<b>510,976</b>	33,748												33,748	<b>477,228</b>	
Other Maintenance	<b>45,000</b>	7,813												7,813	<b>37,187</b>	
NOC Maintenance	<b>46,500</b>	4,175												4,175	<b>42,325</b>	
Wireless Maintenance	-	1,511												1,511	<b>(1,511)</b>	
<i>Subtotal</i>	<b>677,476</b>	53,108	-	-	-	-	-	-	-	-	-	-	-	53,108	<b>624,368</b>	<b>3,953,723</b>
NoaNet Maintenance Expense	-	446												446	<b>(446)</b>	
Depreciation	<b>921,049</b>	62,937												62,937	<b>858,112</b>	<b>3,433,558</b>
<i>Total Operating Expenses</i>	<b>1,598,525</b>	116,491	-	-	-	-	-	-	-	-	-	-	-	116,491	<b>1,482,034</b>	<b>7,387,281</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(511,872)</b>	(27,968)	-	-	-	-	-	-	-	-	-	-	-	(27,968)	<b>483,904</b>	<b>(3,716,875)</b>
<b>NONOPERATING REVENUES &amp; EXPENSES</b>																
Internal Interest due to Power Business Unit <sup>(1)</sup>	<b>(578,010)</b>	(49,357)												(49,357)	<b>528,653</b>	<b>(2,828,845)</b>
Grant Revenue																<b>215,000</b>
<b>CAPITAL CONTRIBUTIONS</b>	-	-												-	-	<b>2,420,469</b>
<b>INTERNAL NET INCOME (LOSS)</b>	<b>(\$1,089,882)</b>	<b>(\$77,325)</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	<b>(\$77,325)</b>	<b>\$1,012,557</b>	<b>(\$3,910,251)</b>
<b>NOANET COSTS</b>																
Member Assessments	<b>\$211,100</b>	\$17,600												\$17,600		<b>\$2,976,842</b>
Membership Support		118												118		<b>67,719</b>
<i>Total NoaNet Costs</i>	<b>\$211,100</b>	\$17,718	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,718	<b>\$193,382</b>	<b>\$3,044,561</b>
<b>CAPITAL EXPENDITURES</b>	<b>\$929,573</b>	\$64,584												\$64,584	<b>\$864,989</b>	<b>\$11,824,524</b>
<b>NET CASH FUNDING OF BROADBAND<sup>(2)</sup></b>		\$47,333	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47,333		<b>\$12,516,932</b>

(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



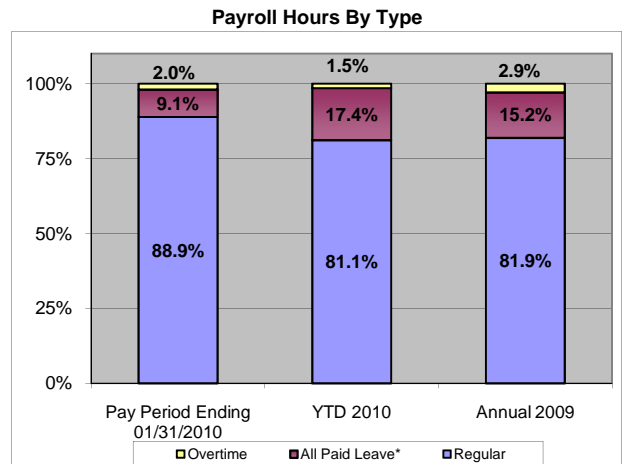
# Payroll Report

Pay Period Ending January 31, 2010

Headcount				
Directorate	Department	2010 Original Budget	2010 Actual	Over (Under) Actual to Budget
<b>Executive Administration</b>		8.0	8.0	-
<b>Finance &amp; Business Services</b>				
	Director of Finance	5.0	5.0	-
	Accounting	6.0	6.0	-
	Information Systems	10.0	9.0	(1.0)
	Key Accounts	3.0	3.0	-
	Customer Service	23.5	25.0	1.5
<b>Engineering</b>				
	Engineering	9.0	8.0	(1.0)
	Customer Engineering	9.0	9.0	-
	Broadband	4.0	4.0	-
<b>Operations</b>				
	Operations	6.0	6.0	-
	General Foreman	27.0	27.0	-
	Supervisor of Operations	2.0	2.0	-
	Meter Shop	5.0	4.0	(1.0)
	Transformer Shop	7.0	7.0	-
	Automotive Shop	4.0	4.0	-
	Warehouse	7.0	7.0	-
	Prosser Branch	6.0	6.0	-
<b>Power Management</b>				
	Director of Power Management	3.0	3.0	-
	Products & Services	7.0	6.0	(1.0)
<b>Total Positions</b>		<b>151.5</b>	<b>149.0</b>	<b>(2.5)</b>

Contingent Positions					
Position	Department	Hours			
		2010 Budget	1/31/2010	2010 Actual YTD	% YTD to Budget
HR Generalist	Human Resources	520	80	240	46%
Meter Readers On-Call	Customer Service	1,040	24	88	8%
NECA Lineman	Operations	2,080	267	523	25%
CSR On-Call - Prosser	Prosser Branch	1,560	58	169	11%
CSR On-Call - Kennewick	Customer Service	5,720	201	629	11%
<b>Total All Contingent Positions</b>		<b>10,920</b>	<b>630</b>	<b>1,648</b>	<b>15%</b>

2010 Labor Budget			
	As of 1/31/10		8% through the year
Labor Type	2010 Budget	YTD Actual	% Spent
Regular	\$11,440,136	\$888,137	8%
Overtime	565,801	16,567	3%
Subtotal	12,005,937	904,704	8%
Less: Mutual Aid	-	-	-
<b>Total</b>	<b>\$12,005,937</b>	<b>\$904,704</b>	<b>8%</b>



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