



FINANCIAL STATEMENTS

JANUARY 2007

(Unaudited)

Table of Contents

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



Financial Highlights January 2007



Issue date: 2/26/07

Financial highlights for the month of January:

- District operations resulted in an increase in net assets of \$3.2 million for the month.
- January's average temperature of 28.8° was 3° below normal and colder than last January by 9.6°. Cumulative heating degree days were 12% higher than last January, and precipitation was only 16% of normal.
- Total retail kWh billed during the month was up 9% over last year due primarily to an increase of 14% in the residential customer class. Total retail kWh billed was down 2% from budget estimates.
- Net power supply costs of \$3.1 million for the month were \$1 million or 25% below budget estimates. Significant issues related to power cost include:
 - Energy and gas sales for resale of \$5.6 million for the month exceeded budget projections by 34%.
 - Energy sales for resale averaged \$65 per MWh exceeded the budget of \$53 per MWh.
- Capital expenditures were \$711,000 during January compared to the budget of \$1.1 million, and capital contributions were \$37,000.

(in thousands of dollars)

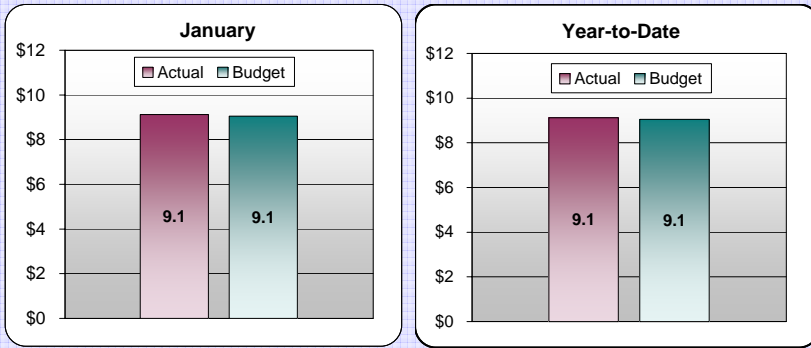
Change in Net Assets	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
Actual	\$3,194												\$3,194	
Budget	\$1,782												\$1,782	\$10,745

Net Power Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
Power Supply Costs	\$8,726												\$8,726	\$82,263
Less: Sales for Resale	(5,605)												(5,605)	(31,518)
Net Power Costs	\$3,121												\$3,121	\$50,745

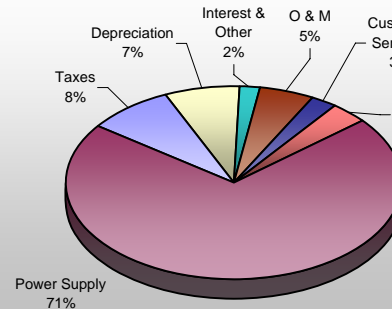
Net Capital Costs	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
Capital Expenditures	\$711												\$711	\$17,234
Less: Capital Contributions	(37)												(37)	(6,344)
Net Capital Costs	\$675												\$675	\$10,889

Load Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Budget
aMW - Retail Sales	182												182	184
aMW - Sales for Resale	104												104	42

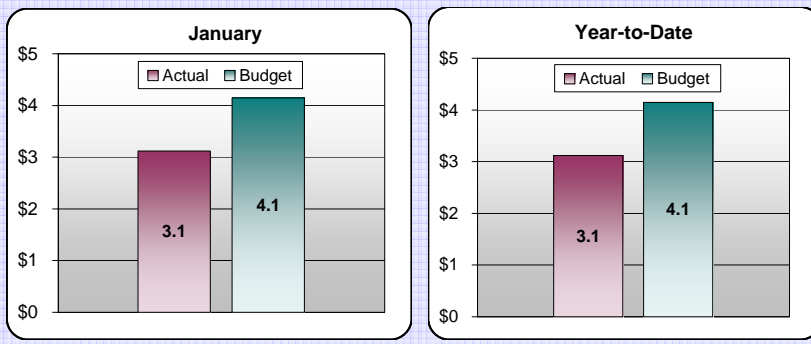
Total Retail Revenue
(in millions of dollars)



Total Expenses



Net Power Supply Costs
(in millions of dollars)



Key Ratios

Current Ratio	2.26 : 1
Debt Service Coverage (2005 actual)	3.17
Debt Service Coverage (2006 actual)	2.97
Debt Service Coverage (2007 budget)	3.46

(includes capital contributions)

Other Statistics

Unrestricted Reserves*	\$ 22.7 million
Bond Fund - Principal & Interest	\$ 1.7 million
Bond Reserve (restricted)	\$ 0.8 million
Net Utility Plant	\$ 119.7 million
Long-Term Debt	\$ 60.6 million
Active Service Agreements	45,341
Employees (FTE's)	159

* includes Rate Stabilization Account (\$7.4M) and Contingency & Replacement Account (\$5.3M)

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

	1/31/2007			1/31/2006	
	ACTUAL	OPERATING BUDGET	PCT VAR	ACTUAL	PCT VAR
OPERATING REVENUES					
Energy Sales - Retail	\$9,122,553	\$9,055,733	1%	\$7,927,060	15%
Energy Sales for Resale	5,589,017	4,179,830	34%	6,593,620	-15%
Transmission of Power for Others	16,233	-	n/a	14,910	9%
Broadband Revenue	42,776	42,500	1%	27,391	56%
Other Revenue	539,195	120,138	n/a	444,173	21%
TOTAL OPERATING REVENUES	15,309,774	13,398,201	14%	15,007,154	2%
OPERATING EXPENSES					
Purchased Power	7,921,498	7,497,284	6%	8,460,171	-6%
Purchased Transmission & Ancillary Services	789,148	790,275	0%	679,325	16%
Generation	56,563	28,269	100%	31,292	81%
Conservation Program	(41,010)	7,537	n/a	-	n/a
Total Power Supply	8,726,199	8,323,365	5%	9,170,788	-5%
Transmission Operation & Maintenance	2,437	3,070	-21%	1,749	39%
Distribution Operation & Maintenance	585,079	517,798	13%	528,050	11%
Broadband Expense	51,940	57,516	-10%	55,279	-6%
Customer Accounting, Collection & Information	311,642	326,705	-5%	286,710	9%
Administrative & General	431,654	472,242	-9%	431,690	0%
Subtotal before Taxes & Depreciation	1,382,751	1,377,332	0%	1,303,479	6%
Taxes	1,007,419	1,019,345	-1%	998,987	1%
Depreciation & Amortization	886,157	878,459	1%	858,461	3%
Total Other Operating Expenses	3,276,326	3,275,136	0%	3,160,927	4%
TOTAL OPERATING EXPENSES	12,002,525	11,598,501	3%	12,331,715	-3%
OPERATING INCOME (LOSS)	3,307,249	1,799,700	84%	2,675,439	24%
NONOPERATING REVENUES & EXPENSES					
Interest Income	108,939	125,000	-13%	144,805	-25%
Other Income	-	-	n/a	-	n/a
Other Expense	-	-	n/a	-	n/a
Interest Expense	(217,110)	(221,242)	-2%	(287,532)	-24%
Debt Discount & Expense Amortization	(4,951)	(14,331)	-65%	(13,991)	-65%
Loss in Joint Ventures/Special Assessments	(36,250)	(36,250)	0%	(36,250)	0%
TOTAL NONOPERATING REVENUES & EXPENSES	(149,373)	(146,823)	2%	(192,968)	-23%
INCOME (LOSS) BEFORE CONTRIBUTIONS	3,157,876	1,652,877	91%	2,482,471	27%
CAPITAL CONTRIBUTIONS	36,587	128,677	-72%	65,120	-44%
CHANGE IN NET ASSETS	\$3,194,463	\$1,781,554	79%	\$2,547,590	25%

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

	1/31/2007	1/31/2006	Increase/(Decrease)	
			Amount	Percent
CURRENT ASSETS				
Cash & Working Funds	\$3,141,048	\$1,871,101	\$1,269,946	
Temporary Investments	19,590,912	26,309,128	(6,718,216)	
Bond Fund Principal & Interest	1,739,426	1,851,806	(112,381)	
Notes Receivable, City of Richland	650,000	650,000	-	
Accounts Receivable, net	10,567,124	7,348,166	3,218,958	
Accrued Unbilled Revenue	3,500,000	2,960,000	540,000	
Inventory Materials & Supplies	3,606,090	3,506,557	99,532	
Fuel Inventory	-	38,440	(38,440)	
Prepayments	141,244	239,160	(97,915)	
Accrued Interest Receivable	26,119	394,571	(368,453)	
Accrued Electric Revenue	5,367,017	6,197,112	(830,095)	
Total Current Assets	48,328,979	51,366,041	(3,037,062)	-6%
NONCURRENT ASSETS				
Bond Reserve	812,537	812,537	-	
Other Receivables	1,300,000	1,950,000	(650,000)	
Ownership Interest in GHFB, LLP	189,500	277,328	(87,828)	
Unamortized Debt Expense	893,833	1,112,937	(219,105)	
Preliminary Surveys	30,632	3,700	26,932	
Deferred Regulatory Charges	160,077	4,094,505	(3,934,428)	
Deferred Purchased Power Costs	3,298,494	5,104,826	(1,806,332)	
Deferred Conservation Costs	507,892	431,743	76,149	
Other Deferred Charges	(88,803)	(4,027)	(84,776)	
	7,104,162	13,783,549	(6,679,387)	-48%
Utility Plant				
Land and Intangible Plant	2,711,252	2,615,526	95,726	
Electric Plant in Service	212,927,520	206,330,948	6,596,572	
Construction Work in Progress	5,598,559	1,500,053	4,098,507	
Accumulated Depreciation	(101,547,641)	(92,376,223)	(9,171,417)	
Net Utility Plant	119,689,690	118,070,303	1,619,387	1%
Total Noncurrent Assets	126,793,852	131,853,852	(5,060,000)	-4%
TOTAL ASSETS	\$175,122,832	\$183,219,893	(\$8,097,062)	-4%

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

	1/31/2007	1/31/2006	Increase/(Decrease)	
			Amount	Percent
CURRENT LIABILITIES				
Warrants Outstanding	\$201,483	\$79,960	\$121,522	
Accounts Payable	9,827,174	9,453,197	373,977	
Customer Deposits	1,172,767	951,304	221,463	
Accrued Taxes Payable	2,962,964	3,086,842	(123,878)	
Other Current & Accrued Liabilities	2,404,439	2,378,976	25,463	
Accrued Interest Payable	764,524	883,056	(118,532)	
Revenue Bonds, Current Portion	4,045,000	3,855,000	190,000	
Total Current Liabilities	21,378,350	20,688,334	690,016	3%
NONCURRENT LIABILITIES				
1995 Bond Issue	-	570,000	(570,000)	
1997 Bond Issue	-	9,975,000	(9,975,000)	
2001 Bond Issue	29,270,000	30,740,000	(1,470,000)	
2002 Bond Issue	17,305,000	17,305,000	-	
2005 Bond Issue	9,235,000	9,175,000	60,000	
Unamortized Premium & Discount	1,266,090	1,407,563	(141,473)	
Unamortized Loss on Defeased Debt	(488,091)	(869,578)	381,487	
Deferred Revenue	456,176	293,960	162,216	
Deferred Regulatory Credits	2,580,254	4,514,180	(1,933,926)	
Other Liabilities	352,161	4,311,355	(3,959,194)	
Total Noncurrent Liabilities	59,976,589	77,422,480	(17,445,891)	-23%
Total Liabilities	81,354,939	98,110,814	(16,755,875)	-17%
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	60,844,130	47,693,606	13,150,524	
Unrestricted	32,923,762	37,415,473	(4,491,711)	
Total Net Assets	93,767,892	85,109,079	8,658,813	10%
TOTAL NET ASSETS AND LIABILITIES	\$175,122,832	\$183,219,893	(\$8,097,062)	-4%
CURRENT RATIO:	2.26:1	2.48:1		
(Current Assets / Current Liabilities)				
WORKING CAPITAL:	\$26,950,629	\$30,677,707	(\$3,727,078)	-12%
(Current Assets less Current Liabilities)				

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

	1/31/2007			1/31/2006	
	ACTUAL	OPERATING BUDGET	PCT VAR	ACTUAL	PCT VAR
ENERGY SALES RETAIL - REVENUE					
Residential	\$5,677,396	\$5,570,283	2%	\$5,353,931	6%
Small General Service	674,467	707,867	-5%	674,964	0%
Medium General Service	852,722	835,264	2%	845,289	1%
Large General Service	1,050,481	1,081,488	-3%	1,112,163	-6%
Large Industrial	66,203	58,572	13%	77,777	-15%
Small Irrigation	914	282	224%	522	75%
Large Irrigation	13,673	9,500	44%	15,949	-14%
Street Lights	33,725	35,228	-4%	38,557	-13%
Security Lights	16,662	16,595	0%	18,156	-8%
Unmetered Accounts	12,070	12,188	-1%	11,515	5%
Billed Revenues Before Taxes	\$8,398,312	\$8,327,266	1%	\$8,148,823	3%
City Occupation Taxes	484,241	492,467	-2%	490,237	-1%
Bad Debt Expense (reduced from .5% to .4% of retail sales in 2007)	(36,000)	(40,000)	-10%	(44,000)	-18%
Unbilled Revenue	276,000	276,000	0%	(668,000)	-141%
TOTAL SALES - REVENUE	\$9,122,553	\$9,055,733	1%	\$7,927,060	15%
ENERGY SALES RETAIL - kWh					
Residential	87,504,790	87,879,497	0%	77,065,711	14%
Small General Service	11,307,859	12,167,928	-7%	10,568,130	7%
Medium General Service	14,898,977	15,074,742	-1%	13,913,591	7%
Large General Service	19,480,750	20,577,985	-5%	19,832,950	-2%
Large Industrial	1,536,265	1,466,660	5%	2,128,100	-28%
Small Irrigation	13,587	4,774	185%	2,729	398%
Large Irrigation	139,617	177,649	-21%	297,170	-53%
Street Lights	344,217	348,248	-1%	335,757	3%
Security Lights	85,158	88,323	-4%	85,734	-1%
Unmetered Accounts	237,079	234,414	1%	235,524	1%
TOTAL kWh SOLD	135,548,299	138,020,220	-2%	124,465,396	9%
NET POWER COST					
BPA Power Costs					
Slice	\$2,767,073	\$3,311,311	-16%	\$3,602,207	-23%
Pre-subscription/Block	2,143,083	1,641,975	31%	1,338,964	60%
Subtotal	4,910,156	4,953,286	-1%	4,941,171	-1%
Other Power Purchases	779,855	334,948	133%	1,248,348	-38%
Frederickson	2,231,487	2,209,049	1%	2,270,651	-2%
Transmission	636,363	683,746	-7%	640,130	-1%
Ancillary	152,785	106,529	43%	39,195	290%
Generation	56,563	28,269	100%	31,292	81%
Conservation	(41,010)	7,537	-644%	-	n/a
Cost of Gas Sold from Storage	-	-	n/a	-	n/a
Gross Power Costs	8,726,199	8,323,365	5%	9,170,788	-5%
Less Sales for Resale-Energy	(5,052,989)	(4,179,830)	21%	(5,250,072)	-4%
Less Sales for Resale-Gas	(536,028)	-	n/a	(1,343,547)	-60%
Less Transmission Losses/Imbalance	(16,233)	-	n/a	(14,910)	9%
NET POWER COSTS	\$3,120,949	\$4,143,535	-25%	\$2,562,258	22%
NET POWER - kWh					
BPA Power Costs					
Slice	120,971,000	119,284,011	1%	137,572,000	-12%
Pre-subscription/Block	80,352,000	61,752,000	30%	50,280,000	60%
Subtotal	201,323,000	181,036,011	11%	187,852,000	7%
Other Power Purchases	13,958,000	2,062,151	577%	17,918,000	-22%
Frederickson	9,400,000	20,800,000	-55%	-	n/a
Generation	393,000	-	n/a	-	n/a
Gross Power kWh	225,074,000	203,898,162	10%	205,770,000	9%
Less Sales for Resale	(77,217,000)	(39,617,708)	95%	(85,327,000)	-10%
Less Transmission Losses/Imbalance	(3,595,000)	(4,219,662)	-15%	(4,190,000)	-14%
NET POWER - kWh	144,262,000	160,060,791	-10%	116,253,000	24%
COST PER MWh: (dollars)					
Gross Power Cost (average)	\$38.77	\$40.82		\$44.57	-13%
Net Power Cost	\$21.63	\$25.89		\$22.04	-2%
BPA Power Cost	\$24.39	\$27.36		\$26.30	-7%
Sales for Resale	\$65.44	\$53.45		\$61.53	6%
ACTIVE SERVICE AGREEMENTS:					
Residential	37,834			37,216	2%
Small General Service	4,242			4,133	3%
Medium General Service	641			630	2%
Large General Service	127			124	2%
Large Industrial	3			3	0%
Small Irrigation	601			618	-3%
Large Irrigation	101			96	5%
Street Lights	9			9	0%
Security Lights	1,429			1,434	0%
Unmetered Accounts	354			352	1%
TOTAL	45,341			44,615	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													
2003	70,762,126	63,058,694	53,956,939	41,224,425	34,932,517	38,600,894	46,593,769	55,018,415	44,889,874	35,420,901	51,987,892	68,171,638	604,618,084
2004	95,569,316	71,372,409	54,426,955	40,932,070	33,583,837	33,298,806	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	87,504,790												87,504,790
Small General Service													
2003	10,203,571	9,506,724	8,380,341	7,917,852	8,064,068	9,017,065	10,335,231	11,732,570	10,278,135	9,045,764	8,996,193	9,775,935	113,253,449
2004	12,521,729	10,268,574	8,801,447	8,294,850	7,972,369	8,582,655	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	11,307,859												11,307,859
Medium General Service													
2003	14,670,276	13,786,639	12,186,646	12,499,460	12,552,754	13,284,301	14,906,673	16,861,962	15,746,309	14,596,668	13,923,680	14,989,550	170,004,918
2004	16,247,598	14,515,280	12,880,552	12,543,850	12,073,921	13,104,210	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	14,898,977												14,898,977
Large General Service													
2003	19,076,960	17,749,220	16,524,100	17,650,260	17,240,150	15,807,410	19,963,880	22,359,660	21,462,830	22,569,920	16,938,490	18,455,720	225,798,600
2004	19,172,300	18,662,420	18,015,560	20,827,940	16,873,710	17,332,910	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												19,480,750
Large Industrial													
2003	6,942,500	5,919,975	5,117,845	1,764,720	5,645,145	4,727,575	3,711,055	5,169,375	6,443,635	1,780,585	4,583,000	6,248,395	58,053,805
2004	6,057,145	6,247,565	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												1,536,265
Small Irrigation													
2003	3,847	4	357,399	1,197,357	1,851,265	2,689,866	3,352,305	2,885,925	2,258,355	1,185,073	82,103	9,813	15,873,312
2004	29	253	500,338	1,360,889	1,700,350	2,503,239	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												13,587
Large Irrigation													
2003	102,971	262,310	6,821,163	23,522,423	55,479,051	87,552,514	91,326,503	62,207,299	31,902,318	22,164,779	4,431,578	221,942	385,994,851
2004	166,433	194,653	8,752,704	30,241,420	52,964,489	70,703,250	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	139,617												139,617
Street Lights													
2003	315,366	316,194	316,086	316,356	315,816	316,752	317,094	316,950	317,976	320,928	319,074	318,318	3,806,910
2004	328,362	328,290	328,218	328,218	328,941	328,941	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

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													
2003	91,422	91,530	91,422	91,134	90,918	90,918	90,918	90,882	91,062	91,008	91,188	91,224	1,093,626
2004	91,152	91,152	91,188	91,188	90,864	90,900	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												85,158
Unmetered													
2003	182,879	182,879	182,878	182,878	184,606	184,750	184,750	188,824	190,120	195,662	195,663	197,736	2,253,625
2004	197,736	197,736	197,736	197,736	197,736	197,736	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
Total													
2003	122,351,918	110,874,169	103,934,819	106,366,865	136,356,290	172,272,045	190,782,178	176,831,862	133,580,614	107,371,288	101,548,861	118,480,271	1,580,751,180
2004	150,351,800	121,878,332	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	135,548,299	-	-	-	-	-	-	-	-	-	-	-	135,548,299

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

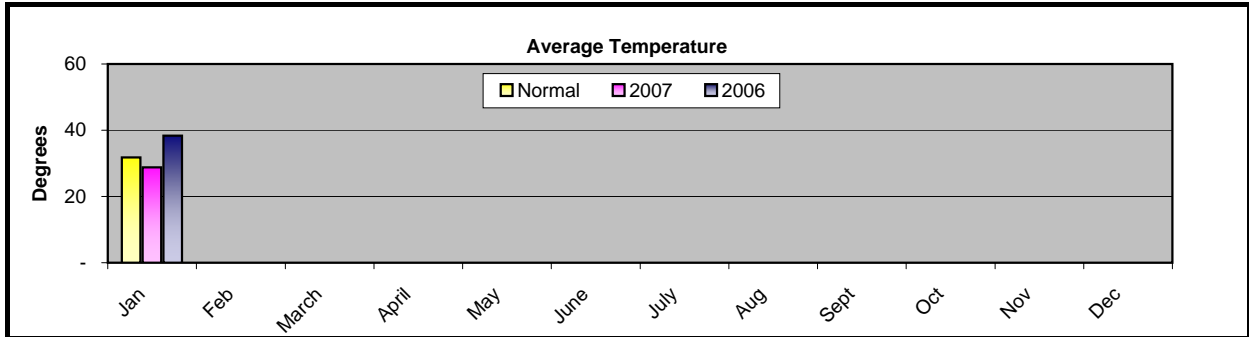
	BALANCE 12/31/2006	ADDITIONS	RETIREMENTS	BALANCE 1/31/2007
INTANGIBLE PLANT:				
Organizations	\$28,379	\$0	\$0	\$28,379
Franchises & Consents	322	-	-	322
Miscellaneous & Intangible Plant	29,078	-	-	29,078
TOTAL	57,780	-	-	57,780
GENERATION PLANT:				
Land & Land Rights	10,271	-	-	10,271
Structures & Improvements	1,160,741	-	-	1,160,741
Fuel Holders & Accessories	543	-	-	543
Other Electric Generation	19,400,532	-	-	19,400,532
Accessory Electric Equipment	8,610	-	-	8,610
Miscellaneous Power Plant Equipment	103,069	-	-	103,069
TOTAL	20,683,764	-	-	20,683,764
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	3,385,889	-	-	3,385,889
Overhead Conductor & Devices	2,885,643	-	-	2,885,643
TOTAL	7,298,511	-	-	7,298,511
DISTRIBUTION PLANT:				
Land & Land Rights	1,144,206	592	-	1,144,798
Structures & Improvements	228,831	-	-	228,831
Station Equipment	27,771,610	1,343	-	27,772,953
Poles, Towers & Fixtures	13,694,677	18,522	(3,147)	13,710,051
Overhead Conductor & Devices	9,394,643	757	(435)	9,394,964
Underground Conduit	23,703,269	12,384	-	23,715,653
Underground Conductor & Devices	28,696,240	7,679	(2,078)	28,701,841
Line Transformers	20,915,296	168,087	-	21,083,384
Services-Overhead	2,496,407	1,685	(381)	2,497,710
Services-Underground	13,735,024	51,527	(9,955)	13,776,596
Meters	3,901,020	2,473	-	3,903,492
Security Lighting	855,405	1,296	(828)	855,873
Street Lighting	1,066,387	-	-	1,066,387
SCADA System	1,299,741	105,563	-	1,405,305
TOTAL	148,902,756	371,907	(16,825)	149,257,838
GENERAL PLANT:				
Land & Land Rights	942,894	-	-	942,894
Structures & Improvements	14,081,303	-	-	14,081,303
Information Systems & Technology	6,628,744	52,821	-	6,681,565
Transportation Equipment	5,566,494	-	-	5,566,494
Stores Equipment	54,108	-	-	54,108
Tools, Shop & Garage Equipment	453,072	-	-	453,072
Laboratory Equipment	459,296	-	-	459,296
Communication Equipment	1,832,895	-	-	1,832,895
Broadband Equipment	6,741,140	7,734	-	6,748,874
Miscellaneous Equipment	66,628	-	-	66,628
Allowance for Funds Used During Construction	1,039,545	25,615	-	1,065,160
TOTAL	37,866,119	86,171	-	37,952,290
TOTAL ELECTRIC PLANT ACCOUNTS	214,808,930	458,077	(16,825)	215,250,183
PLANT HELD FOR FUTURE USE	388,589	-	-	388,589
CONSTRUCTION WORK IN PROGRESS	5,345,158	253,402	-	5,598,559
TOTAL UTILITY PLANT BEFORE DEPRECIATION	220,542,677	711,479	(16,825)	221,237,331
CONSERVATION PROJECTS	554,066	-	(46,174)	507,892
TOTAL CAPITAL	\$221,096,743	\$711,479	(\$62,999)	\$221,745,223

\$1,069,847 Budget

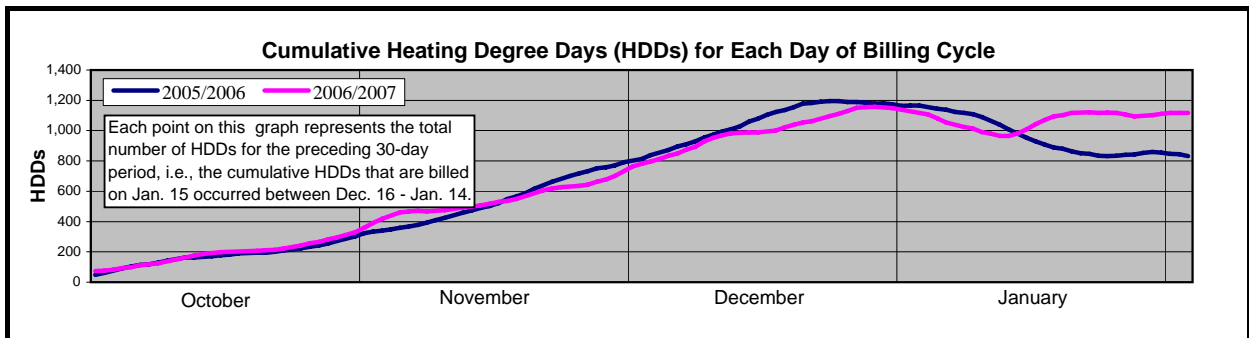
**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY
STATEMENT OF CASH FLOWS**

	YTD 1/31/2007
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Counterparties	\$14,168,764
Cash Paid to Suppliers and Counterparties	(14,952,999)
Cash Paid to Employees	(865,327)
Taxes Paid	(793,524)
Net Cash Provided by Operating Activities	(2,443,086)
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	(666,683)
Bond Principal Paid	(337,083)
Bond Interest Paid	(242,725)
Capital Contributions	36,587
Sale of Assets	1,587
Net Cash Used by Capital and Related Financing Activities	(1,208,318)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income	99,133
Proceeds from Sale of Investments	4,013,489
Purchase of Investments	(92,287)
Joint Venture Net Revenue (Expense)	(36,250)
Net Cash Provided (Used) by Investing Activities	3,984,085
NET INCREASE (DECREASE) IN CASH	332,682
CASH BALANCE, BEGINNING OF YEAR	2,808,366
CASH BALANCE, END OF YEAR	\$3,141,048
 RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Net Operating Revenues	\$3,307,249
Adjustments to reconcile net operating income to net cash provided by operating activities:	
Depreciation & Amortization	886,157
Unbilled Revenues	(276,000)
Decrease (Increase) in Accounts Receivable	963,089
Decrease (Increase) in Inventories	75,359
Decrease (Increase) in Prepaid Expenses	(103,109)
Decrease (Increase) in Accrued Electric Revenue	(3,238,917)
Decrease (Increase) in Miscellaneous Assets	87,731
Decrease (Increase) in Deferred Purchased Power Expense	827,754
Decrease (Increase) in Deferred Regulatory Charges	-
Increase (Decrease) in Deferred Regulatory Credits	(709,402)
Increase (Decrease) in Warrants Outstanding	(922,783)
Increase (Decrease) in Accounts Payable	(3,636,253)
Increase (Decrease) in Accrued Taxes Payable	213,895
Increase (Decrease) in Customer Deposits	34,747
Increase (Decrease) in Other Current Liabilities	(3,366)
Increase (Decrease) in Deferred Credits	50,763
Net Cash Provided by (Used for) Operating Activities	(\$2,443,086)

**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY
WEATHER STATISTICS
January 31, 2007**

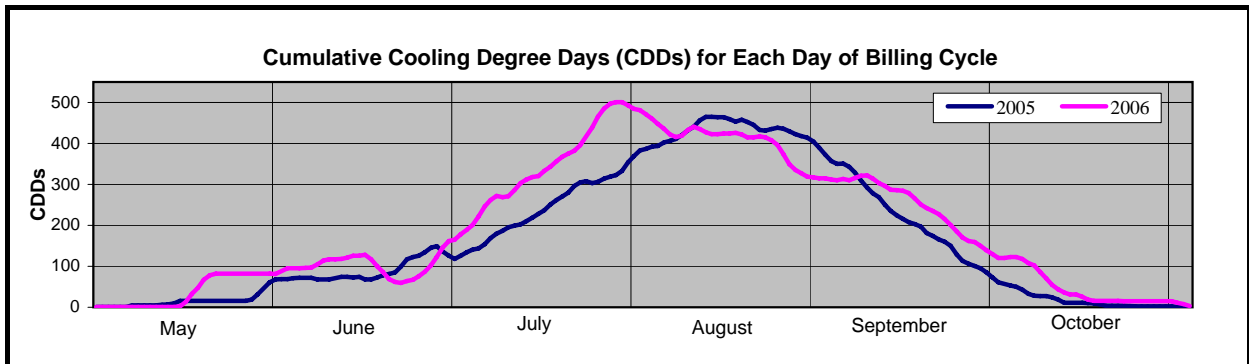


Average Temperature													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Annual
Normal	31.8	37.9	46.1	53.5	61.8	69.3	76.3	75.4	65.9	53.0	40.1	31.7	53.6
2007	28.8												
2006	38.4	36.2	44.9	52.5	62.6	70.4	80.1	74.8	66.8	52.4	39.9	29.0	54.0



Heating Degree Days by Month													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2007	1,121												1,121
2006	825	802	625	383	163	6	1	6	71	390	751	1,117	5,140
2005	1,084	762	498	343	91	20	-	-	48	333	801	1,165	5,145

Cumulative Heating Degree Days in Billing Cycle													
2007	33,206												33,206
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
2005	32,586	26,923	19,609	14,181	6,363	1,772	173	-	528	5,601	16,566	33,091	157,393



Cooling Degree Days by Month													
Year	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
2007	-												-
2006	-	-	-	1	88	171	471	312	123	-	-	-	1,166
2005	-	-	-	1	69	125	387	357	50	-	-	-	989

Cumulative Cooling Degree Days in Billing Cycle													
2007	-												-
2006	-	-	-	1	1,156	3,123	10,964	12,467	7,226	1,209	-	-	36,146
2005	-	-	-	4	470	2,721	7,701	13,292	6,062	409	-	-	30,659

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

January Highlights

January saw limited installation activity. Connections for RSP's were made at Olympus and Kennewick General Hospital Urgent Care. Final plans for taking BPL to the Flashcube Building were made. Fiber was run to the new Prosser building, however final termination inside the building will be made when the contractor has the co-location room ready. NoaNet has delivered service orders for two large Internet bandwidth users. A report on the last quarter for sales and marketing was delivered to the Commission demonstrating good progress in 2006.

A C T U A L S

Operating Activity	2007 Budget	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	YTD	Budget Variance	Inception to Date
OPERATING REVENUES	\$510,000															
Ethernet	-	\$20,844												\$20,844		
TDM	-	9,479												9,479		
Wireless	-	502												502		
Co-Location	-	635												635		
Internet Transport Service	-	2,680												2,680		
Fixed Wireless	-	7,970												7,970		
Broadband Revenue - Other	-	240												240		
<i>Subtotal</i>		42,349												42,349		
NoaNet Maintenance Revenue	-	1,486												1,486		
Bad Debt Expense	-	(1,060)												(1,060)		
<i>Total Operating Revenues</i>	510,000	42,775												42,775	467,225	1,040,385
OPERATING EXPENSES																2,006,164
Marketing & Business Development	55,000	2,953												2,953	52,047	
General Expenses	517,481	30,806												30,806	486,675	
Other Maintenance	55,000	11,737												11,737	43,263	
NOC Maintenance	37,000	4,857												4,857	32,143	
Wireless Maintenance	-	1,587												1,587	(1,587)	
<i>Subtotal</i>	664,481	51,940												51,940	612,541	
NoaNet Maintenance Expense	25,721	-												-	25,721	
Depreciation	670,211	52,174												52,174	618,037	1,440,148
<i>Total Operating Expenses</i>	1,360,413	104,114												104,114	1,256,299	3,446,312
OPERATING INCOME (LOSS)	(850,413)	(61,338)												(61,338)	789,075	(2,405,927)
NONOPERATING REVENUES & EXPENSES																
Internal Interest due to Power Business Unit ⁽¹⁾	(477,813)	(37,317)												(37,317)	440,496	(1,320,159)
Other Revenues & Expenses - Inception to Date																125,299
CAPITAL CONTRIBUTIONS		1,663												1,663	1,663	135,995
INTERNAL NET INCOME (LOSS)	(\$1,328,226)	(96,992)	0	0	0	0	0	0	0	0	0	0	-	(96,992)	\$1,231,234	(\$3,464,792)
NOANET COSTS																
Member Assessments	\$435,000	\$36,250												\$36,250		\$1,980,945
Membership Support		2,096												2,096		45,724
<i>Total NoaNet Costs</i>	\$435,000	\$38,346	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38,346	\$396,654	\$2,026,669
CAPITAL EXPENDITURES	\$1,134,372	\$65,776												\$65,776	\$1,068,596	\$6,901,647
NET CASH FUNDING OF BROADBAND⁽²⁾		\$111,623	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$111,623		\$9,632,801

(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



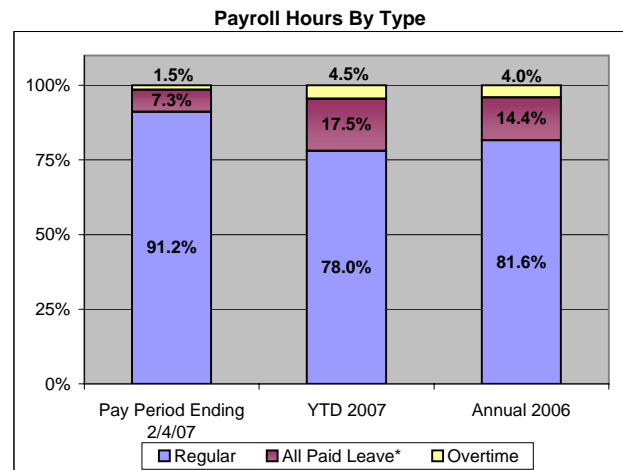
Payroll Report

Pay Period Ending February 4, 2007

Headcount				
Directorate	Department	2007 Budget	2007 Actual	Over (Under) Actual to Budget
Executive Administration		7.0	7.0	-
Finance & Business Services				
	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	28.0	1.0
Engineering				
	Engineering	9.0	7.0	(2.0)
	Customer Engineering	10.0	9.0	(1.0)
Operations				
	Operations	8.0	8.0	-
	General Foreman	26.0	29.0	3.0
	Supervisor of Operations	3.0	3.0	-
	Meter Shop	5.0	5.0	-
	Transformer Shop	8.0	8.0	-
	Automotive Shop	4.0	4.0	-
	Warehouse	7.0	7.0	-
	Prosser Branch	7.0	7.0	-
	Broadband	6.0	5.0	(1.0)
Power Management				
	Director of Power Management	4.0	4.0	-
	Products & Services	4.0	4.0	-
Total Positions		159.0	159.0	-

Contingent Positions					
Position	Department	Hours			% YTD to Budget
		2007 Budget	Pay Period Ending 2/4/07	2007 Actual YTD	
CSR - Limited Assignment	Customer Service	-	80	242	-
CSR On-Call - Prosser	Prosser Branch	1,040	20	117	11%
CSR On-Call - Kennewick	Customer Service	520	-	-	-
Total All Contingent Positions		1,560	100	359	23%

2007 Labor Budget			
Labor Type	As of 1/31/07		8% through the year
	2007 Budget	YTD Actual	
Regular	\$10,327,698	\$905,478	9%
Overtime	481,310	71,648	15%
Subtotal	10,809,008	977,126	9%
Less: Mutual Aid	-	(56,562)	-
Total	\$10,809,008	\$920,564	8.5%



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