



FINANCIAL STATEMENTS

OCTOBER 2007

(Unaudited)

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Financial Highlights October 2007



Issue date: 11/26/07

Financial highlights for the month of October:

- District operations during October resulted in a decrease in net assets of \$146,000 bringing year-to-date net income to \$1.8 million including the extraordinary loss of \$9.8 million for the sale of the Finley CT plant and the Prosser pole yard.
- The average temperature of 51.1° was 1.9° below normal and 1.3° cooler than last year. Cumulative heating degree days for the billing cycle were up 21% from last year. Precipitation was 43% of normal for the month bringing YTD precipitation to 78% of normal.
- Total retail kWh billed during October were down 2% from last year due to decreases in the large general service and large industrial customer classes. Total retail kWh billed were 5% below the amended budget for the month.
- Net power activity for the month:
 - Net power supply costs were \$3.9 million for the month exceeding the amended monthly budget by 4%.
 - Slice generation continued at below critical levels through October, and the Frederickson plant operated all month.
 - Energy sales for resale of \$4.2 million exceeded budget by 5%, with an average price of \$62 per MWh v. budget of \$56 per MWh.
- Capital expenditures of \$2.2 million during October brought year-to-date capital expenditures to \$11.9 million.

(in thousands of dollars)

| Change in Net Assets | Jan | Feb | Mar | Apr | May ⁽¹⁾ | Jun | Jul | Aug ⁽²⁾ | Sep | Oct | Nov | Dec | Total | Amended Budget |
|----------------------|---------|---------|---------|---------|--------------------|---------|---------|--------------------|-------|---------|-----|-----|---------|----------------|
| Actual | \$3,194 | \$1,900 | \$2,026 | \$686 | (\$9,219) | \$540 | \$1,470 | \$519 | \$820 | (\$146) | | | \$1,790 | |
| Budget | \$1,782 | \$838 | \$789 | (\$510) | (\$87) | \$1,491 | \$2,809 | (\$6,013) | \$393 | \$615 | | | \$2,106 | \$3,856 |

(1) Sale of Finley CT plant was recorded in May with an extraordinary loss of \$9.8 million.

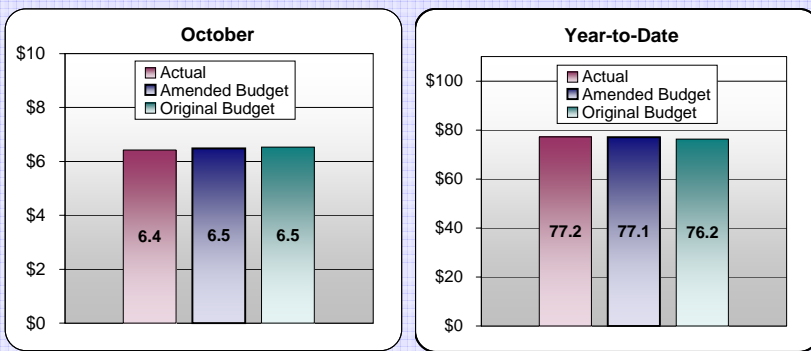
(2) The cumulative YTD impact of budget amendments approved at the August 28 Commission meeting are reflected in the August report.

| Net Power Costs | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Amended Budget |
|------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----|-----|----------|----------------|
| Power Supply Costs | \$8,726 | \$7,472 | \$6,223 | \$6,938 | \$7,340 | \$7,004 | \$8,162 | \$8,412 | \$8,496 | \$8,180 | | | \$76,953 | \$91,302 |
| Less: Sales for Resale | (5,605) | (4,184) | (4,575) | (3,813) | (3,567) | (1,967) | (2,272) | (3,045) | (3,390) | (4,248) | | | (36,666) | (41,854) |
| Net Power Costs | \$3,121 | \$3,287 | \$1,648 | \$3,125 | \$3,773 | \$5,037 | \$5,890 | \$5,367 | \$5,106 | \$3,932 | | | \$40,287 | \$49,448 |

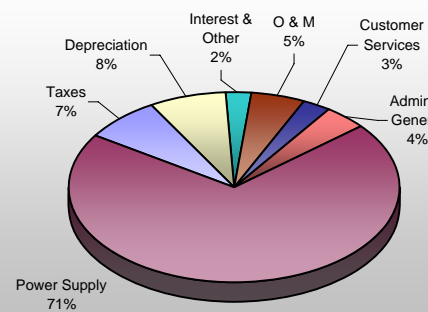
| Net Capital Costs | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Amended Budget |
|-----------------------------|-------|-------|---------|-------|---------|-------|-------|---------|---------|---------|-----|-----|----------|----------------|
| Capital Expenditures | \$711 | \$945 | \$1,039 | \$789 | \$1,284 | \$858 | \$923 | \$2,033 | \$1,111 | \$2,233 | | | \$11,926 | \$15,249 |
| Less: Capital Contributions | (37) | (151) | (168) | (262) | (181) | (696) | (174) | (312) | (1,247) | (505) | | | (3,730) | (6,429) |
| Net Capital Costs | \$675 | \$794 | \$871 | \$527 | \$1,103 | \$162 | \$749 | \$1,722 | (\$136) | \$1,729 | | | \$8,195 | \$8,819 |

| Load Statistics | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Amended Budget |
|------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|----------------|
| aMW - Retail Sales | 182 | 185 | 149 | 156 | 192 | 235 | 254 | 236 | 189 | 128 | | | 191 | 184 |
| aMW - Sales for Resale | 104 | 98 | 131 | 124 | 107 | 69 | 53 | 66 | 78 | 91 | | | 92 | 86 |

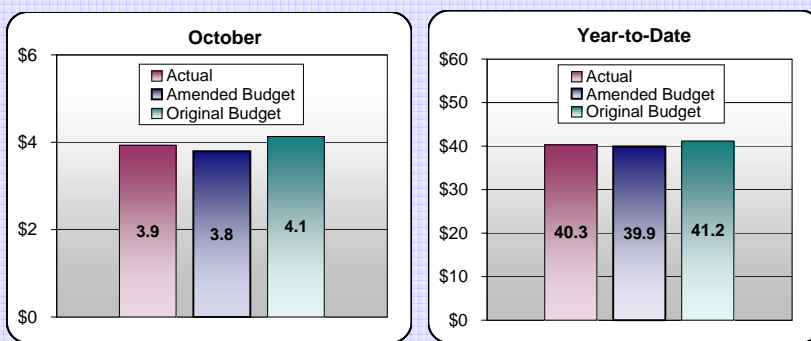
Total Retail Revenue
(in millions of dollars)



Total Expenses



Net Power Supply Costs
(in millions of dollars)



Key Ratios

| | |
|---|----------|
| Current Ratio | 2.96 : 1 |
| Debt Service Coverage (2005 actual) | 3.17 |
| Debt Service Coverage (2006 actual) | 2.97 |
| Debt Service Coverage (2007 amended budget) | 3.79 |

(includes capital contributions)

Other Statistics

| | |
|---|------------------|
| Unrestricted Reserves | \$ 24.0 million |
| Rate Stabilization Account (designated) | \$ 5.1 million |
| Construction Account (restricted) | \$ 2.6 million |
| Bond Principal & Interest (restricted) | \$ - million |
| Bond Reserve (restricted) | \$ - million |
| Net Utility Plant | \$ 109.2 million |
| Long-Term Debt | \$ 56.5 million |
| Active Service Agreements | 45,879 |
| Employees (FTE's) | 152 |

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

| | 10/31/2007 | | | 10/31/2006 | |
|---|--------------------|-------------------|--------------|----------------------|-------------|
| | ACTUAL | AMENDED BUDGET | PCT VAR | ACTUAL | PCT VAR |
| OPERATING REVENUES | | | | | |
| Energy Sales - Retail | \$6,429,450 | \$6,484,109 | -1% | \$6,782,654 | -5% |
| Energy Sales for Resale | 4,232,595 | 4,048,118 | 5% | 3,877,814 | 9% |
| Transmission of Power for Others | 15,200 | 12,994 | 17% | 16,266 | -7% |
| Broadband Revenue | 66,974 | 62,500 | 7% | 41,528 | 61% |
| Other Revenue | 100,666 | 97,931 | 3% | 102,932 | -2% |
| TOTAL OPERATING REVENUES | 10,844,884 | 10,705,652 | 1% | 10,821,194 | 0% |
| OPERATING EXPENSES | | | | | |
| Purchased Power | 7,375,558 | 6,993,826 | 5% | 8,155,569 | -10% |
| Purchased Transmission & Ancillary Services | 823,540 | 833,818 | -1% | 825,078 | 0% |
| Generation | 4,870 | 17,958 | -73% | 27,719 | -82% |
| Conservation Program | (23,715) | 9,537 | n/a | - | n/a |
| Total Power Supply | 8,180,252 | 7,855,139 | 4% | 9,008,366 | -9% |
| Transmission Operation & Maintenance | 887 | 3,070 | -71% | 1,297 | -32% |
| Distribution Operation & Maintenance | 608,436 | 521,662 | 17% | 560,400 | 9% |
| Broadband Expense | 70,155 | 70,516 | -1% | 71,866 | -2% |
| Customer Accounting, Collection & Information | 369,170 | 331,805 | 11% | 337,073 | 10% |
| Administrative & General | 710,522 | 467,117 | 52% | 512,323 | 39% |
| Subtotal before Taxes & Depreciation | 1,759,171 | 1,394,171 | 26% | 1,482,959 | 19% |
| Taxes | 660,054 | 694,905 | -5% | 660,915 | 0% |
| Depreciation & Amortization | 805,865 | 831,623 | -3% | 804,674 | 0% |
| Total Other Operating Expenses | 3,225,090 | 2,920,699 | 10% | 2,948,548 | 9% |
| TOTAL OPERATING EXPENSES | 11,405,342 | 10,775,838 | 6% | 11,956,914 | -5% |
| OPERATING INCOME (LOSS) | (560,458) | (70,186) | n/a | (1,135,720) | -51% |
| NONOPERATING REVENUES & EXPENSES | | | | | |
| Interest Income | 152,137 | 125,000 | 22% | 195,446 | -22% |
| Other Income | - | - | n/a | - | n/a |
| Other Expense | - | - | n/a | 1,488 | n/a |
| Interest Expense | (208,345) | (221,242) | -6% | (275,442) | -24% |
| Debt Discount & Expense Amortization | 1,107 | (14,331) | -108% | (13,940) | -108% |
| Loss in Joint Ventures/Special Assessments | (35,500) | (36,250) | -2% | (276,165) | -87% |
| TOTAL NONOPERATING REVENUES & EXPENSES | (90,602) | (146,823) | -38% | (368,613) | -75% |
| INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS & EXTRAORDINARY ITEMS | (651,060) | (217,009) | n/a | (1,504,333) | -57% |
| CAPITAL CONTRIBUTIONS | 504,732 | 831,891 | -39% | 105,892 | n/a |
| EXTRAORDINARY ITEMS | - | - | n/a | - | n/a |
| CHANGE IN NET ASSETS | (\$146,328) | \$614,882 | -124% | (\$1,398,442) | -90% |

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

| | 10/31/2007 | | | 10/31/2006 | |
|---|---------------------|---------------------|-------------|---------------------|-------------|
| | ACTUAL | AMENDED BUDGET | PCT VAR | ACTUAL | PCT VAR |
| OPERATING REVENUES | | | | | |
| Energy Sales - Retail | \$77,175,074 | \$77,054,178 | 0% | \$79,268,200 | -3% |
| Energy Sales for Resale | 36,457,201 | 37,056,440 | -2% | 41,052,166 | -11% |
| Transmission of Power for Others | 209,091 | 148,637 | 41% | 223,910 | -7% |
| Broadband Revenue | 607,962 | 585,000 | 4% | 383,199 | 59% |
| Other Revenue | 1,529,831 | 1,245,799 | 23% | 1,608,934 | -5% |
| TOTAL OPERATING REVENUES | 115,979,159 | 116,090,053 | 0% | 122,536,410 | -5% |
| OPERATING EXPENSES | | | | | |
| Purchased Power | 68,773,822 | 68,492,865 | 0% | 74,439,784 | -8% |
| Purchased Transmission & Ancillary Services | 8,272,057 | 8,248,059 | 0% | 8,092,059 | 2% |
| Generation | 158,912 | 188,410 | -16% | 615,356 | -74% |
| Conservation Program | (251,978) | 203,430 | n/a | - | n/a |
| Total Power Supply | 76,952,812 | 77,132,764 | 0% | 83,147,199 | -7% |
| Transmission Operation & Maintenance | 15,238 | 30,696 | -50% | 48,207 | -68% |
| Distribution Operation & Maintenance | 5,290,888 | 5,106,979 | 4% | 5,455,537 | -3% |
| Broadband Expense | 596,088 | 689,164 | -14% | 483,796 | 23% |
| Customer Accounting, Collection & Information | 3,051,310 | 3,298,852 | -8% | 3,312,143 | -8% |
| Administrative & General | 4,539,805 | 4,687,573 | -3% | 4,205,083 | 8% |
| Subtotal before Taxes & Depreciation | 13,493,329 | 13,813,265 | -2% | 13,504,765 | 0% |
| Taxes | 8,183,061 | 8,263,755 | -1% | 8,418,081 | -3% |
| Depreciation & Amortization | 8,458,647 | 8,316,232 | 2% | 8,530,820 | -1% |
| Total Other Operating Expenses | 30,135,038 | 30,393,251 | -1% | 30,453,666 | -1% |
| TOTAL OPERATING EXPENSES | 107,087,850 | 107,526,015 | 0% | 113,600,866 | -6% |
| OPERATING INCOME (LOSS) | 8,891,309 | 8,564,038 | 4% | 8,935,545 | 0% |
| NONOPERATING REVENUES & EXPENSES | | | | | |
| Interest Income | 1,435,394 | 1,250,000 | 15% | 1,672,811 | -14% |
| Other Income | - | - | n/a | - | n/a |
| Other Expense | - | - | n/a | (7,871) | n/a |
| Interest Expense | (2,136,934) | (2,212,419) | -3% | (2,832,480) | -25% |
| Debt Discount & Expense Amortization | (13,165) | (143,310) | -91% | (139,453) | -91% |
| Loss in Joint Ventures/Special Assessments | (361,000) | (362,500) | 0% | (721,983) | -50% |
| TOTAL NONOPERATING REVENUES & EXPENSES | (1,075,706) | (1,468,229) | -27% | (2,028,977) | -47% |
| INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS & EXTRAORDINARY ITEMS | 7,815,604 | 7,095,810 | 10% | 6,906,568 | 13% |
| CAPITAL CONTRIBUTIONS | 3,730,089 | 4,765,340 | -22% | 1,110,117 | n/a |
| EXTRAORDINARY ITEMS | (9,755,303) | (9,755,303) | 0% | - | n/a |
| CHANGE IN NET ASSETS | 1,790,389 | 2,105,847 | -15% | 8,016,685 | -78% |
| NET ASSETS, BEGINNING OF YEAR | 90,573,429 | 90,573,429 | 0% | 82,561,489 | 10% |
| NET ASSETS, END OF YEAR | \$92,363,818 | \$92,679,276 | 0% | \$90,578,174 | 2% |

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

| | January | February | March | April | May | June | July | August | September | October | November | December | Total |
|---|--------------------|--------------------|--------------------|-------------------|----------------------|------------------|--------------------|-------------------|-------------------|--------------------|------------|------------|--------------------|
| OPERATING REVENUES | | | | | | | | | | | | | |
| Energy Sales - Retail | \$9,122,553 | \$8,028,779 | \$6,395,794 | \$6,333,383 | \$6,766,217 | \$8,128,058 | \$10,084,307 | \$8,462,308 | \$7,424,226 | \$6,429,450 | | | \$77,175,075 |
| Energy Sales for Resale | 5,589,017 | 4,168,257 | 4,558,939 | 3,796,508 | 3,550,469 | 1,951,025 | 2,256,677 | 3,029,650 | 3,324,064 | 4,232,595 | | | 36,457,201 |
| Transmission of Power for Others | 16,233 | 16,233 | 16,233 | 16,233 | 16,608 | 16,267 | 15,200 | 15,200 | 65,684 | 15,200 | | | 209,091 |
| Broadband Revenue | 42,776 | 62,920 | 61,174 | 58,074 | 62,546 | 63,139 | 62,130 | 62,200 | 66,029 | 66,974 | | | 607,962 |
| Other Electric Revenue | 539,195 | 91,113 | 103,808 | 96,594 | 649,981 | (430,603) | 142,973 | 117,866 | 118,237 | 100,666 | | | 1,529,830 |
| TOTAL OPERATING REVENUES | 15,309,774 | 12,367,302 | 11,135,948 | 10,300,792 | 11,045,821 | 9,727,886 | 12,561,287 | 11,687,224 | 10,998,240 | 10,844,885 | - | - | 115,979,159 |
| OPERATING EXPENSES | | | | | | | | | | | | | |
| Purchased Power | 7,921,498 | 6,732,219 | 5,424,467 | 6,099,858 | 6,352,327 | 6,209,761 | 7,415,349 | 7,585,879 | 7,656,904 | 7,375,558 | | | 68,773,820 |
| Purchased Transmission & Ancillary Services | 789,148 | 783,007 | 832,339 | 818,961 | 926,836 | 828,676 | 779,228 | 856,936 | 833,387 | 823,540 | | | 8,272,058 |
| Generation | 56,563 | 3,671 | 15,148 | 20,669 | 25,163 | 12,594 | 6,560 | 7,082 | 6,594 | 4,870 | | | 158,914 |
| Conservation Program | (41,010) | (46,925) | (48,874) | (1,750) | 35,791 | (46,732) | (39,392) | (38,016) | (1,357) | (23,715) | | | (251,980) |
| Total Power Supply | 8,726,199 | 7,471,972 | 6,223,080 | 6,937,738 | 7,340,117 | 7,004,299 | 8,161,745 | 8,411,881 | 8,495,528 | 8,180,253 | - | - | 76,952,812 |
| Transmission Operation & Maintenance | 2,437 | 503 | 3,352 | 2,400 | (232) | 3,955 | 1,272 | 442 | 221 | 887 | | | 15,237 |
| Distribution Operation & Maintenance | 585,079 | 466,096 | 501,001 | 403,774 | 673,542 | 535,430 | 520,535 | 536,050 | 460,945 | 608,436 | | | 5,290,888 |
| Broadband Expense | 51,940 | 62,509 | 62,590 | 52,674 | 70,544 | 52,138 | 69,231 | 53,126 | 51,182 | 70,155 | | | 596,089 |
| Customer Accounting, Collection & Information | 311,642 | 258,115 | 310,192 | 331,053 | 296,863 | 299,032 | 286,173 | 318,173 | 270,897 | 369,170 | | | 3,051,310 |
| Administrative & General | 431,654 | 366,672 | 388,196 | 480,624 | 528,481 | 407,208 | 466,805 | 368,276 | 391,366 | 710,522 | | | 4,539,804 |
| Subtotal before Taxes & Depreciation | 1,382,752 | 1,153,895 | 1,265,331 | 1,270,525 | 1,569,198 | 1,297,763 | 1,344,016 | 1,276,067 | 1,174,611 | 1,759,170 | - | - | 13,493,328 |
| Taxes | 1,007,419 | 967,411 | 778,221 | 664,902 | 698,722 | 772,688 | 866,304 | 900,492 | 866,849 | 660,054 | | | 8,183,062 |
| Depreciation & Amortization | 886,157 | 884,700 | 886,155 | 886,155 | 886,155 | 805,865 | 805,865 | 805,865 | 805,865 | 805,865 | | | 8,458,647 |
| Total Other Operating Expenses | 3,276,328 | 3,006,006 | 2,929,707 | 2,821,582 | 3,154,075 | 2,876,316 | 3,016,185 | 2,982,424 | 2,847,325 | 3,225,089 | - | - | 30,135,037 |
| TOTAL OPERATING EXPENSES | 12,002,527 | 10,477,978 | 9,152,787 | 9,759,320 | 10,494,192 | 9,880,615 | 11,177,930 | 11,394,305 | 11,342,853 | 11,405,342 | - | - | 107,087,849 |
| OPERATING INCOME (LOSS) | 3,307,247 | 1,889,324 | 1,983,161 | 541,472 | 551,629 | (152,729) | 1,383,357 | 292,919 | (344,613) | (560,457) | - | - | 8,891,310 |
| NONOPERATING REVENUES & EXPENSES | | | | | | | | | | | | | |
| Interest Income | 108,939 | 116,733 | 130,380 | 137,579 | 151,963 | 144,375 | 158,025 | 167,862 | 167,400 | 152,137 | | | 1,435,393 |
| Interest Expense | (217,110) | (215,804) | (213,483) | (213,767) | (212,446) | (212,346) | (209,879) | (218,166) | (215,586) | (208,345) | | | (2,136,932) |
| Debt Discount & Expense Amortization | (4,951) | (4,951) | (4,951) | (4,951) | 1,107 | 1,107 | 1,107 | 1,107 | 1,107 | 1,107 | | | (13,162) |
| Loss in Joint Ventures/Special Assessments | (36,250) | (36,250) | (36,250) | (36,250) | (36,250) | (36,250) | (36,250) | (36,250) | (35,500) | (35,500) | | | (361,000) |
| TOTAL NONOPERATING REV/EXP | (149,372) | (140,272) | (124,304) | (117,389) | (95,626) | (103,114) | (86,997) | (85,447) | (82,579) | (90,601) | - | - | (1,075,701) |
| INCOME (LOSS) BEFORE CONTRIBUTIONS & EXTRAORDINARY ITEMS | 3,157,875 | 1,749,052 | 1,858,857 | 424,083 | 456,003 | (255,843) | 1,296,360 | 207,472 | (427,192) | (651,058) | - | - | 7,815,609 |
| CAPITAL CONTRIBUTIONS | 36,587 | 151,126 | 167,558 | 261,693 | 180,545 | 695,532 | 173,710 | 311,625 | 1,246,980 | 504,732 | | | 3,730,088 |
| EXTRAORDINARY ITEMS | - | - | - | - | (9,855,162) | 99,858 | - | - | - | - | | | (9,755,304) |
| CHANGE IN NET ASSETS | \$3,194,462 | \$1,900,178 | \$2,026,415 | \$685,776 | (\$9,218,614) | \$539,547 | \$1,470,070 | \$519,097 | \$819,788 | (\$146,326) | \$0 | \$0 | \$1,790,393 |

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

| | 10/31/2007 | 10/31/2006 | Increase/(Decrease) | |
|------------------------------------|----------------------|----------------------|-----------------------|-------------|
| | | | Amount | Percent |
| CURRENT ASSETS | | | | |
| Cash & Working Funds | \$6,271,404 | \$5,645,830 | \$625,574 | |
| Temporary Investments | 22,891,573 | 24,655,814 | (1,764,242) | |
| Designated Special Fund | - | 7,890,000 | (7,890,000) | |
| Bond Fund Principal & Interest | - | - | - | |
| Construction Account | 2,609,630 | - | 2,609,630 | |
| Notes Receivable, City of Richland | 650,000 | 650,000 | - | |
| Accounts Receivable, net | 12,701,807 | 5,685,719 | 7,016,088 | |
| Accrued Unbilled Revenue | 1,910,000 | 2,075,000 | (165,000) | |
| Inventory Materials & Supplies | 2,755,983 | 3,350,080 | (594,097) | |
| Prepayments | 108,605 | 110,785 | (2,181) | |
| Accrued Interest Receivable | - | 39,874 | (39,874) | |
| Accrued Electric Revenue | 4,013,011 | 3,316,743 | 696,269 | |
| Total Current Assets | 53,912,012 | 53,419,845 | 492,167 | 1% |
| NONCURRENT ASSETS | | | | |
| Bond Reserve | - | 812,537 | (812,537) | |
| Other Receivables | 650,000 | 1,300,000 | (650,000) | |
| Ownership Interest in GHFB, LLP | 189,500 | 277,341 | (87,841) | |
| Unamortized Debt Expense | 808,722 | 1,006,421 | (197,699) | |
| Preliminary Surveys | 173,030 | 3,700 | 169,330 | |
| Deferred Regulatory Charges | 276,465 | 2,380,998 | (2,104,533) | |
| Deferred Purchased Power Costs | 1,728,599 | 3,685,373 | (1,956,774) | |
| Deferred Conservation Costs | 92,344 | 356,060 | (263,716) | |
| Other Deferred Charges | (218,411) | 139,648 | (358,059) | |
| | 3,700,249 | 9,962,078 | (6,261,828) | -63% |
| Utility Plant | | | | |
| Land and Intangible Plant | 2,926,104 | 2,624,537 | 301,567 | |
| Electric Plant in Service | 201,514,875 | 210,496,609 | (8,981,735) | |
| Construction Work in Progress | 7,534,662 | 4,106,200 | 3,428,462 | |
| Accumulated Depreciation | (102,807,147) | (99,241,263) | (3,565,884) | |
| Net Utility Plant | 109,168,493 | 117,986,083 | (8,817,590) | -7% |
| Total Noncurrent Assets | 112,868,743 | 127,948,160 | (15,079,418) | -12% |
| TOTAL ASSETS | \$166,780,755 | \$181,368,006 | (\$14,587,250) | -8% |

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

| | 10/31/2007 | 10/31/2006 | Increase/(Decrease) | |
|--|----------------------|----------------------|-----------------------|-------------|
| | | | Amount | Percent |
| CURRENT LIABILITIES | | | | |
| Warrants Outstanding | \$34,464 | \$210,414 | (\$175,950) | |
| Accounts Payable | 9,884,174 | 10,504,355 | (620,181) | |
| Customer Deposits | 1,302,641 | 1,305,411 | (2,771) | |
| Accrued Taxes Payable | 2,156,480 | 2,188,436 | (31,957) | |
| Other Current & Accrued Liabilities | 2,435,651 | 2,305,823 | 129,827 | |
| Accrued Interest Payable | - | - | - | |
| Revenue Bonds, Current Portion | 2,415,000 | 4,045,000 | (1,630,000) | |
| Total Current Liabilities | 18,228,409 | 20,559,439 | (2,331,030) | -11% |
| NONCURRENT LIABILITIES | | | | |
| 1995 Bond Issue | - | - | - | |
| 1997 Bond Issue | - | 7,890,000 | (7,890,000) | |
| 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 | 1,153,415 | 1,301,138 | (147,723) | |
| Unamortized Loss on Defeased Debt | (415,965) | (744,208) | 328,243 | |
| Deferred Revenue | 560,283 | 501,928 | 58,355 | |
| Deferred Regulatory Credits | 1,028,491 | 2,871,981 | (1,843,490) | |
| Other Liabilities | 467,303 | 2,599,553 | (2,132,250) | |
| Total Noncurrent Liabilities | 56,188,527 | 70,230,393 | (14,041,866) | -20% |
| Total Liabilities | 74,416,936 | 90,789,832 | (16,372,896) | -18% |
| NET ASSETS | | | | |
| Invested in Capital Assets, Net of Related Debt | 55,230,673 | 50,496,689 | 4,733,983 | |
| Unrestricted | 37,133,146 | 40,081,484 | (2,948,338) | |
| Total Net Assets | 92,363,819 | 90,578,173 | 1,785,645 | 2% |
| TOTAL NET ASSETS AND LIABILITIES | \$166,780,755 | \$181,368,006 | (\$14,587,251) | -8% |
| CURRENT RATIO: (Current Assets / Current Liabilities) | 2.96:1 | 2.60:1 | | |
| WORKING CAPITAL: (Current Assets less Current Liabilities) | \$35,683,603 | \$32,860,406 | \$2,823,198 | 9% |

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

| | 10/31/2007 | | | 10/31/2006 | |
|--|--------------------|--------------------|------------|--------------------|-------------|
| | ACTUAL | AMENDED BUDGET | PCT VAR | ACTUAL | PCT VAR |
| ENERGY SALES RETAIL - REVENUE | | | | | |
| Residential | \$2,446,027 | \$2,396,632 | 2% | \$2,492,295 | -2% |
| Small General Service | 494,596 | 498,968 | -1% | 508,457 | -3% |
| Medium General Service | 760,127 | 740,724 | 3% | 767,646 | -1% |
| Large General Service | 1,118,946 | 1,161,095 | -4% | 1,225,856 | -9% |
| Large Industrial | 51,796 | 215,740 | -76% | 145,050 | -64% |
| Small Irrigation | 74,807 | 69,305 | 8% | 70,544 | 6% |
| Large Irrigation | 818,473 | 727,993 | 12% | 783,649 | 4% |
| Street Lights | 34,107 | 33,387 | 2% | 37,552 | -9% |
| Security Lights | 16,258 | 15,861 | 3% | 17,139 | -5% |
| Unmetered Accounts | 11,927 | 12,004 | -1% | 12,744 | -6% |
| Billed Revenues Before Taxes | \$5,827,064 | \$5,871,708 | -1% | \$6,060,931 | -4% |
| City Occupation Taxes | 291,386 | 304,901 | -4% | 294,723 | -1% |
| Bad Debt Expense (reduced from .4% to .3% of retail sales in July 200) | (19,000) | (22,500) | -16% | (13,000) | 46% |
| Unbilled Revenue | 330,000 | 330,000 | 0% | 440,000 | -25% |
| TOTAL SALES - REVENUE | \$6,429,450 | \$6,484,109 | -1% | \$6,782,654 | -5% |
| ENERGY SALES RETAIL - kWh | | | | | |
| Residential | 35,495,003 | 34,430,178 | 3% | 34,641,585 | 2% |
| Small General Service | 8,186,617 | 8,238,742 | -1% | 8,039,168 | 2% |
| Medium General Service | 13,140,524 | 12,672,155 | 4% | 12,540,496 | 5% |
| Large General Service | 20,863,540 | 21,837,251 | -4% | 22,443,270 | -7% |
| Large Industrial | 1,249,625 | 5,887,703 | -79% | 3,455,900 | -64% |
| Small Irrigation | 1,061,271 | 951,054 | 12% | 964,486 | 10% |
| Large Irrigation | 14,928,764 | 15,893,802 | -6% | 14,907,418 | 0% |
| Street Lights | 349,729 | 349,141 | 0% | 342,633 | 2% |
| Security Lights | 87,156 | 85,223 | 2% | 85,266 | 2% |
| Unmetered Accounts | 237,356 | 238,079 | 0% | 237,079 | 0% |
| TOTAL kWh SOLD | 95,599,585 | 100,583,328 | -5% | 97,657,301 | -2% |
| NET POWER COST | | | | | |
| BPA Power Costs | | | | | |
| Slice | \$2,328,394 | \$3,311,311 | -30% | \$3,127,135 | -26% |
| Pre-subscription/Block | 1,832,559 | 991,908 | 85% | 1,767,927 | 4% |
| Subtotal | 4,160,953 | 4,303,219 | -3% | 4,895,062 | -15% |
| Other Power Purchases | 710,680 | 57,097 | 1145% | 461,473 | 54% |
| Frederickson | 2,503,925 | 2,633,509 | -5% | 2,799,034 | -11% |
| Transmission | 634,990 | 727,788 | -13% | 635,474 | 0% |
| Ancillary | 188,550 | 106,030 | 78% | 189,604 | -1% |
| Generation | 4,870 | 17,958 | -73% | 27,719 | -82% |
| Conservation Program | (23,715) | 9,537 | -349% | - | n/a |
| Gross Power Costs | 8,180,252 | 7,855,139 | 4% | 9,008,366 | -9% |
| Less Sales for Resale-Energy | (4,232,595) | (4,048,118) | 5% | (3,383,997) | 25% |
| Less Sales for Resale-Gas | - | - | n/a | (493,817) | n/a |
| Less Transmission of Power for Others | (15,200) | (12,994) | 17% | (16,266) | -7% |
| NET POWER COSTS | \$3,932,457 | \$3,794,027 | 4% | \$5,114,287 | -23% |
| NET POWER - kWh | | | | | |
| BPA Power Costs | | | | | |
| Slice | 68,368,000 | 103,624,008 | -34% | 65,363,000 | 5% |
| Pre-subscription/Block | 63,240,000 | 36,505,000 | 73% | 63,325,000 | 0% |
| Subtotal | 131,608,000 | 140,129,008 | -6% | 128,688,000 | 2% |
| Other Power Purchases | 8,814,000 | 1,449,178 | 508% | 8,050,000 | 9% |
| Frederickson | 35,450,000 | 37,250,000 | -5% | 36,654,000 | -3% |
| Generation | - | - | n/a | 109,000 | n/a |
| Gross Power kWh | 175,872,000 | 178,828,186 | -2% | 173,501,000 | 1% |
| Less Sales for Resale | (67,768,000) | (66,815,107) | 1% | (62,369,000) | 9% |
| Less Transmission Losses/Imbalance | (2,972,000) | (3,262,781) | -9% | (2,836,000) | 5% |
| NET POWER - kWh | 105,132,000 | 108,750,298 | -3% | 108,296,000 | -3% |
| COST PER MWh: (dollars) | | | | | |
| Gross Power Cost (average) | \$46.51 | \$43.93 | | \$51.92 | -10% |
| Net Power Cost | \$37.40 | \$34.89 | | \$47.23 | -21% |
| BPA Power Cost | \$31.62 | \$30.71 | | \$38.04 | -17% |
| Sales for Resale | \$62.46 | \$56.38 | | \$54.26 | 15% |
| ACTIVE SERVICE AGREEMENTS: | | | | | |
| Residential | 38,219 | | | 37,593 | 2% |
| Small General Service | 4,320 | | | 4,209 | 3% |
| Medium General Service | 664 | | | 634 | 5% |
| Large General Service | 129 | | | 127 | 2% |
| Large Industrial | 3 | | | 3 | 0% |
| Small Irrigation | 612 | | | 612 | 0% |
| Large Irrigation | 112 | | | 100 | 12% |
| Street Lights | 9 | | | 9 | 0% |
| Security Lights | 1,457 | | | 1,428 | 2% |
| Unmetered Accounts | 354 | | | 354 | 0% |
| TOTAL | 45,879 | | | 45,069 | 2% |

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

| | 10/31/2007 | | | 10/31/2006 | |
|---|----------------------|----------------------|------------|----------------------|------------|
| | ACTUAL | AMENDED BUDGET | PCT VAR | ACTUAL | PCT VAR |
| ENERGY SALES RETAIL - REVENUE | | | | | |
| Residential | \$34,838,741 | \$34,882,530 | 0% | \$36,042,853 | -3% |
| Small General Service | 5,756,677 | 5,733,580 | 0% | 5,994,467 | -4% |
| Medium General Service | 7,366,403 | 7,345,008 | 0% | 7,669,592 | -4% |
| Large General Service | 9,474,413 | 9,629,286 | -2% | 10,616,598 | -11% |
| Large Industrial | 1,328,324 | 1,434,994 | -7% | 1,228,065 | 8% |
| Small Irrigation | 813,120 | 784,016 | 4% | 792,424 | 3% |
| Large Irrigation | 15,065,735 | 14,697,776 | 3% | 14,458,178 | 4% |
| Street Lights | 337,725 | 336,526 | 0% | 386,451 | -13% |
| Security Lights | 161,997 | 160,929 | 1% | 179,419 | -10% |
| Unmetered Accounts | 119,664 | 119,540 | 0% | 124,198 | -4% |
| Billed Revenues Before Taxes | \$75,262,800 | \$75,124,185 | 0% | \$77,492,244 | -3% |
| City Occupation Taxes | 3,514,273 | 3,508,993 | 0% | 3,694,579 | -5% |
| Bad Debt Expense (reduced from .4% to .3% of retail sales in July 2007) | (288,000) | (265,000) | 9% | (365,623) | -21% |
| Unbilled Revenue | (1,314,000) | (1,314,000) | 0% | (1,553,000) | -15% |
| TOTAL SALES - REVENUE | \$77,175,074 | \$77,054,178 | 0% | \$79,268,200 | -3% |
| ENERGY SALES RETAIL - kWh | | | | | |
| Residential | 524,908,166 | 525,589,643 | 0% | 503,681,924 | 4% |
| Small General Service | 96,769,928 | 96,286,353 | 1% | 93,308,973 | 4% |
| Medium General Service | 137,656,717 | 135,430,463 | 2% | 132,518,654 | 4% |
| Large General Service | 188,205,710 | 190,365,922 | -1% | 198,257,630 | -5% |
| Large Industrial | 37,154,315 | 41,201,090 | -10% | 32,488,210 | 14% |
| Small Irrigation | 15,912,337 | 15,213,513 | 5% | 14,288,796 | 11% |
| Large Irrigation | 384,389,815 | 381,728,518 | 1% | 350,180,440 | 10% |
| Street Lights | 3,452,186 | 3,459,087 | 0% | 3,396,450 | 2% |
| Security Lights | 853,398 | 852,902 | 0% | 854,064 | 0% |
| Unmetered Accounts | 2,371,743 | 2,368,550 | 0% | 2,358,955 | 1% |
| TOTAL kWh SOLD | 1,391,674,315 | 1,392,496,041 | 0% | 1,331,334,096 | 5% |
| NET POWER COST | | | | | |
| BPA Power Costs | | | | | |
| Slice | \$27,828,168 | \$33,288,964 | -16% | \$36,113,647 | -23% |
| Pre-subscription/Block | 17,864,540 | 12,611,165 | 42% | 13,699,185 | 30% |
| Subtotal | 45,692,708 | 45,900,128 | 0% | 49,812,832 | -8% |
| Other Power Purchases | 9,243,985 | 6,944,942 | 33% | 8,278,071 | 12% |
| Frederickson | 13,837,129 | 15,647,794 | -12% | 16,348,882 | -15% |
| Transmission | 6,367,959 | 7,104,012 | -10% | 6,386,862 | 0% |
| Ancillary | 1,904,097 | 1,144,047 | 66% | 1,705,197 | 12% |
| Generation | 158,912 | 188,410 | -16% | 615,356 | -74% |
| Conservation Program | (251,978) | 203,430 | | - | |
| Gross Power Costs | 76,952,812 | 77,132,764 | 0% | 83,147,199 | -7% |
| Less Sales for Resale-Energy | (35,377,316) | (35,603,567) | -1% | (38,056,923) | -7% |
| Less Sales for Resale-Gas | (1,079,885) | (1,452,872) | -26% | (2,995,243) | -64% |
| Less Transmission of Power for Others | (209,091) | (148,637) | 41% | (223,910) | -7% |
| NET POWER COSTS | \$40,286,520 | \$39,927,688 | 1% | \$41,871,123 | -4% |
| NET POWER - kWh | | | | | |
| BPA Power Costs | | | | | |
| Slice | 973,298,000 | 1,103,948,890 | -12% | 1,258,352,000 | -23% |
| Pre-subscription/Block | 823,179,000 | 740,428,000 | 11% | 584,542,000 | 41% |
| Subtotal | 1,796,477,000 | 1,844,376,890 | -3% | 1,842,894,000 | -3% |
| Other Power Purchases | 189,346,000 | 130,953,192 | 45% | 155,848,000 | 21% |
| Frederickson | 143,194,000 | 165,042,000 | -13% | 139,353,000 | 3% |
| Generation | 547,000 | 547,000 | 0% | 5,606,000 | -90% |
| Gross Power kWh | 2,129,564,000 | 2,140,919,082 | -1% | 2,143,701,000 | -1% |
| Less Sales for Resale | (673,226,000) | (682,841,011) | -1% | (762,465,000) | -12% |
| Less Transmission Losses/Imbalance | (42,143,000) | (39,733,926) | 6% | (37,243,000) | 13% |
| NET POWER - kWh | 1,414,195,000 | 1,418,344,145 | 0% | 1,343,993,000 | 5% |
| COST PER MWh: (dollars) | | | | | |
| Gross Power Cost (average) | \$36.14 | \$36.03 | | \$38.79 | -7% |
| Net Power Cost | \$28.49 | \$28.15 | | \$31.15 | -9% |
| BPA Power Cost | \$25.43 | \$24.89 | | \$27.03 | -6% |
| Sales for Resale | \$52.55 | \$48.42 | | \$49.91 | 5% |
| AVERAGE ACTIVE SERVICE AGREEMENTS: | | | | | |
| Residential | 37,910 | | | 37,346 | 2% |
| Small General Service | 4,289 | | | 4,158 | 3% |
| Medium General Service | 652 | | | 636 | 3% |
| Large General Service | 128 | | | 126 | 2% |
| Large Industrial | 3 | | | 3 | 0% |
| Small Irrigation | 607 | | | 616 | -1% |
| Large Irrigation | 108 | | | 98 | 10% |
| Street Lights | 9 | | | 9 | 0% |
| Security Lights | 1,438 | | | 1,429 | 1% |
| Unmetered Accounts | 354 | | | 352 | 1% |
| TOTAL | 45,498 | | | 44,772 | 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 | 77,598,867 | 56,651,787 | 43,214,643 | 36,318,534 | 40,325,062 | 47,323,236 | 52,148,568 | 48,327,676 | 35,495,003 | | | 524,908,166 |
| 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 | 10,426,102 | 8,683,409 | 8,203,826 | 8,459,880 | 9,429,739 | 10,121,862 | 11,052,830 | 10,897,804 | 8,186,617 | | | 96,769,928 |
| 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 | 13,544,025 | 12,274,048 | 12,125,935 | 12,061,121 | 13,564,289 | 14,436,738 | 15,617,851 | 15,993,209 | 13,140,524 | | | 137,656,717 |
| 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 | 18,282,980 | 17,802,800 | 16,320,080 | 15,174,720 | 16,287,400 | 17,696,340 | 22,274,380 | 24,022,720 | 20,863,540 | | | 188,205,710 |
| 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 | 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 | | | 37,154,315 |
| 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 | 4,764 | 326,582 | 1,058,965 | 2,482,537 | 2,535,185 | 3,170,161 | 3,009,217 | 2,250,068 | 1,061,271 | | | 15,912,337 |
| 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 | 324,365 | 8,330,773 | 24,977,896 | 66,085,135 | 81,463,666 | 90,029,116 | 67,897,125 | 30,213,358 | 14,928,764 | | | 384,389,815 |
| 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 | 344,217 | 344,217 | 344,217 | 344,217 | 344,721 | 344,721 | 347,713 | 349,729 | | | 3,452,186 |

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 | 85,194 | 85,194 | 85,122 | 85,122 | 85,302 | 85,302 | 85,338 | 84,510 | 87,156 | | | 853,398 |
| 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 | 237,079 | 237,079 | 237,079 | 236,924 | 237,356 | 237,356 | 237,356 | 237,356 | | | 2,371,743 |
| 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 | 124,635,063 | 110,717,514 | 112,197,473 | 142,486,205 | 169,316,334 | 189,171,232 | 175,746,841 | 136,255,769 | 95,599,585 | - | - | 1,391,674,315 |

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

| | BALANCE 9/30/2007 | ADDITIONS | RETIREMENTS | BALANCE 10/31/2007 |
|--|----------------------|--------------------|--------------------|-----------------------|
| 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 | - | - | - | - |
| Structures & Improvements | 1,141,911 | - | - | 1,141,911 |
| Fuel Holders & Accessories | - | - | - | - |
| Other Electric Generation | 261,940 | - | - | 261,940 |
| Accessory Electric Equipment | - | - | - | - |
| Miscellaneous Power Plant Equipment | - | - | - | - |
| TOTAL | 1,403,851 | - | - | 1,403,851 |
| TRANSMISSION PLANT: | | | | |
| Land & Land Rights | 156,400 | - | - | 156,400 |
| Clearing Land & Right Of Ways | 10,521 | - | - | 10,521 |
| Transmission Station Equipment | 777,633 | - | - | 777,633 |
| Towers & Fixtures | 82,425 | - | - | 82,425 |
| Poles & Fixtures | 3,385,938 | - | - | 3,385,938 |
| Overhead Conductor & Devices | 2,885,643 | - | - | 2,885,643 |
| TOTAL | 7,298,560 | - | - | 7,298,560 |
| DISTRIBUTION PLANT: | | | | |
| Land & Land Rights | 1,182,448 | 1,407 | - | 1,183,855 |
| Structures & Improvements | 228,831 | - | - | 228,831 |
| Station Equipment | 27,861,188 | - | - | 27,861,188 |
| Poles, Towers & Fixtures | 14,134,004 | 68,821 | (15,329) | 14,187,496 |
| Overhead Conductor & Devices | 9,600,594 | 31,049 | (3,236) | 9,628,407 |
| Underground Conduit | 24,472,289 | 176,560 | (70) | 24,648,779 |
| Underground Conductor & Devices | 29,864,150 | 152,026 | (14,578) | 30,001,597 |
| Line Transformers | 21,924,494 | 44,380 | - | 21,968,874 |
| Services-Overhead | 2,519,535 | 2,292 | (1,335) | 2,520,492 |
| Services-Underground | 14,176,967 | 79,428 | (2,489) | 14,253,906 |
| Meters | 4,073,190 | 2,707 | - | 4,075,898 |
| Security Lighting | 867,572 | 2,499 | (3,590) | 866,482 |
| Street Lighting | 1,062,189 | - | (2,124) | 1,060,065 |
| SCADA System | 1,414,791 | - | - | 1,414,791 |
| TOTAL | 153,382,241 | 561,169 | (42,751) | 153,900,659 |
| GENERAL PLANT: | | | | |
| Land & Land Rights | 1,128,959 | - | - | 1,128,959 |
| Structures & Improvements | 17,073,336 | 353 | - | 17,073,690 |
| Information Systems & Technology | 6,283,155 | 20,834 | (49,915) | 6,254,073 |
| Transportation Equipment | 5,707,386 | - | (55,974) | 5,651,413 |
| Stores Equipment | 54,108 | - | - | 54,108 |
| Tools, Shop & Garage Equipment | 439,582 | - | - | 439,582 |
| Laboratory Equipment | 494,845 | - | - | 494,845 |
| Communication Equipment | 1,832,895 | - | - | 1,832,895 |
| Broadband Equipment | 7,051,989 | 13,493 | - | 7,065,482 |
| Miscellaneous Equipment | 66,628 | - | - | 66,628 |
| Allowance for Funds Used During Construction | 1,295,483 | 34,380 | - | 1,329,863 |
| TOTAL | 41,428,368 | 69,060 | (105,889) | 41,391,539 |
| TOTAL ELECTRIC PLANT ACCOUNTS | 203,570,800 | 630,230 | (148,640) | 204,052,390 |
| PLANT HELD FOR FUTURE USE | 388,589 | - | - | 388,589 |
| CONSTRUCTION WORK IN PROGRESS | 5,931,566 | 1,603,096 | - | 7,534,662 |
| TOTAL UTILITY PLANT BEFORE DEPRECIATION | 209,890,955 | 2,233,325 | (148,640) | 211,975,640 |
| CONSERVATION PROJECTS | 138,516 | - | (46,172) | 92,344 |
| TOTAL CAPITAL | \$210,029,471 | \$2,233,325 | (\$194,812) | \$212,067,984 |

\$1,726,656 Amended Budget

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

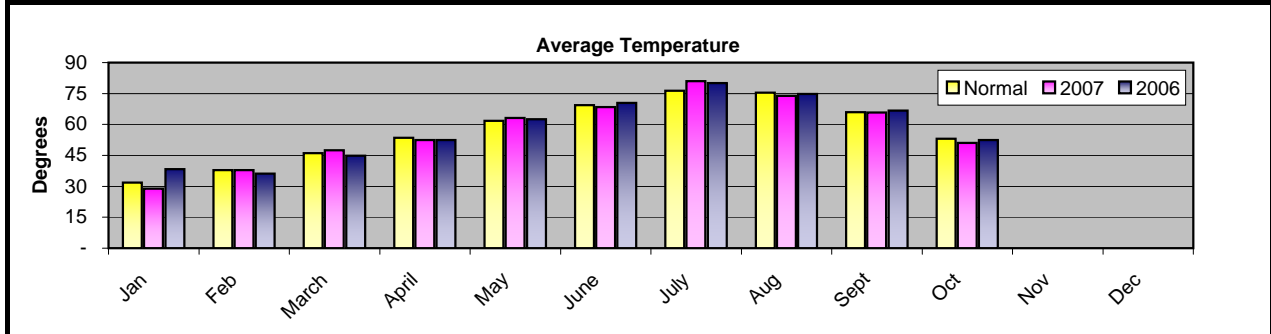
| | BALANCE 12/31/2006 | ADDITIONS | RETIREMENTS | BALANCE 10/31/2007 |
|--|-----------------------|---------------------|-----------------------|-----------------------|
| INTANGIBLE PLANT: | | | | |
| Organizations | \$28,379 | \$0 | \$0 | \$28,379 |
| Franchises & Consents | 322 | - | - | 322 |
| 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 | - | (18,829) | 1,141,911 |
| Fuel Holders & Accessories | 543 | - | (543) | - |
| Other Electric Generation | 19,400,532 | - | (19,138,592) | 261,940 |
| Accessory Electric Equipment | 8,610 | - | (8,610) | - |
| Miscellaneous Power Plant Equipment | 103,069 | - | (103,069) | - |
| TOTAL | 20,683,764 | - | (19,279,913) | 1,403,851 |
| TRANSMISSION PLANT: | | | | |
| Land & Land Rights | 156,400 | - | - | 156,400 |
| Clearing Land & Right Of Ways | 10,521 | - | - | 10,521 |
| Transmission Station Equipment | 777,633 | - | - | 777,633 |
| Towers & Fixtures | 82,425 | - | - | 82,425 |
| Poles & Fixtures | 3,385,889 | 50 | - | 3,385,938 |
| Overhead Conductor & Devices | 2,885,643 | - | - | 2,885,643 |
| TOTAL | 7,298,511 | 50 | - | 7,298,560 |
| DISTRIBUTION PLANT: | | | | |
| Land & Land Rights | 1,144,206 | 39,649 | - | 1,183,855 |
| Structures & Improvements | 228,831 | - | - | 228,831 |
| Station Equipment | 27,771,610 | 89,578 | - | 27,861,188 |
| Poles, Towers & Fixtures | 13,694,677 | 578,404 | (85,585) | 14,187,496 |
| Overhead Conductor & Devices | 9,394,643 | 281,899 | (48,135) | 9,628,407 |
| Underground Conduit | 23,703,269 | 963,992 | (18,482) | 24,648,779 |
| Underground Conductor & Devices | 28,696,240 | 1,431,330 | (125,973) | 30,001,597 |
| Line Transformers | 20,915,296 | 1,226,643 | (173,065) | 21,968,874 |
| Services-Overhead | 2,496,407 | 33,048 | (8,963) | 2,520,492 |
| Services-Underground | 13,735,024 | 546,880 | (27,999) | 14,253,906 |
| Meters | 3,901,020 | 174,878 | - | 4,075,898 |
| Security Lighting | 855,405 | 26,828 | (15,751) | 866,482 |
| Street Lighting | 1,066,387 | 3,599 | (9,921) | 1,060,065 |
| SCADA System | 1,299,741 | 115,049 | - | 1,414,791 |
| TOTAL | 148,902,756 | 5,511,777 | (513,873) | 153,900,659 |
| GENERAL PLANT: | | | | |
| Land & Land Rights | 942,894 | 186,065 | - | 1,128,959 |
| Structures & Improvements | 14,081,303 | 3,080,414 | (88,028) | 17,073,690 |
| Information Systems & Technology | 6,628,744 | 156,245 | (530,915) | 6,254,073 |
| Transportation Equipment | 5,566,494 | 140,893 | (55,974) | 5,651,413 |
| Stores Equipment | 54,108 | - | - | 54,108 |
| Tools, Shop & Garage Equipment | 453,072 | - | (13,490) | 439,582 |
| Laboratory Equipment | 459,296 | 35,549 | - | 494,845 |
| Communication Equipment | 1,832,895 | - | - | 1,832,895 |
| Broadband Equipment | 6,741,140 | 334,703 | (10,361) | 7,065,482 |
| Miscellaneous Equipment | 66,628 | - | - | 66,628 |
| Allowance for Funds Used During Construction | 1,039,545 | 290,318 | - | 1,329,863 |
| TOTAL | 37,866,119 | 4,224,187 | (698,768) | 41,391,539 |
| TOTAL ELECTRIC PLANT ACCOUNTS | 214,808,930 | 9,736,013 | (20,492,554) | 204,052,390 |
| PLANT HELD FOR FUTURE USE | 388,589 | - | - | 388,589 |
| CONSTRUCTION WORK IN PROGRESS | 5,345,158 | 2,189,504 | - | 7,534,662 |
| TOTAL UTILITY PLANT BEFORE DEPRECIATION | 220,542,677 | 11,925,518 | (20,492,554) | 211,975,640 |
| CONSERVATION PROJECTS | 554,066 | - | (461,722) | 92,344 |
| TOTAL CAPITAL | \$221,096,743 | \$11,925,518 | (\$20,954,276) | \$212,067,984 |

\$13,350,920 Amended Budget

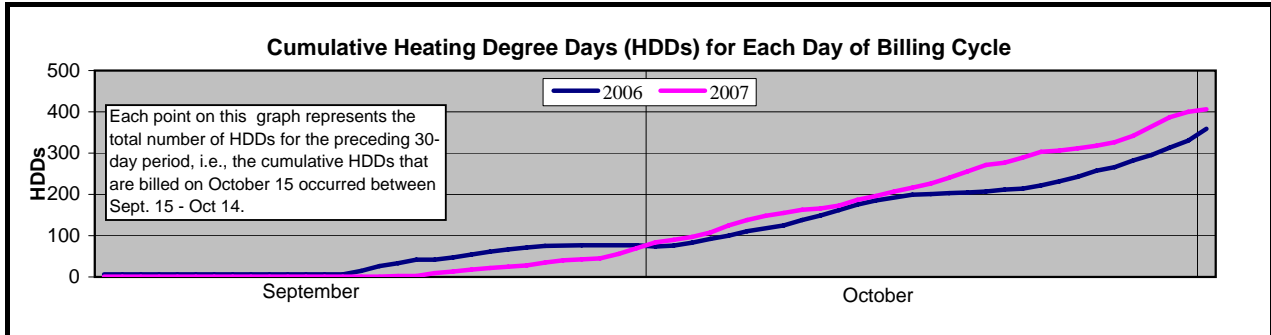
**PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY
STATEMENT OF CASH FLOWS**

| | YTD 10/31/2007 | Monthly 10/31/2007 |
|---|---------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash Received from Customers and Counterparties | \$114,293,466 | \$13,160,434 |
| Cash Paid to Suppliers and Counterparties | (84,570,177) | (10,339,155) |
| Cash Paid to Employees | (9,189,320) | (818,110) |
| Taxes Paid | (8,775,650) | (696,988) |
| Net Cash Provided by Operating Activities | 11,758,319 | 1,306,181 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Acquisition of Capital Assets | (12,093,042) | (2,161,227) |
| Bond Principal Paid | (3,370,833) | (337,083) |
| Bond Interest Paid | (2,427,252) | (242,725) |
| Capital Contributions | 3,730,089 | 504,732 |
| Sale of Assets | 5,951,603 | 9,990 |
| Net Cash Used by Capital and Related Financing Activities | (8,209,436) | (2,226,314) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest Income | 1,451,707 | 152,136 |
| Proceeds from Sale of Investments | 42,254,121 | 6,648,890 |
| Purchase of Investments | (43,430,673) | (2,287,222) |
| Joint Venture Net Revenue (Expense) | (361,000) | (35,500) |
| Net Cash Provided (Used) by Investing Activities | (85,845) | 4,478,304 |
| NET INCREASE (DECREASE) IN CASH | 3,463,038 | 3,558,171 |
| CASH BALANCE, BEGINNING OF YEAR | 2,808,366 | 2,713,233 |
| CASH BALANCE, END OF YEAR | \$6,271,404 | \$6,271,404 |
| RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| Net Operating Revenues | \$8,891,309 | (\$560,458) |
| Adjustments to reconcile net operating income to net cash provided by operating activities: | | |
| Depreciation & Amortization | 8,458,647 | 805,865 |
| Unbilled Revenues | 1,314,000 | (330,000) |
| Decrease (Increase) in Accounts Receivable | (1,171,594) | 2,580,117 |
| Decrease (Increase) in Inventories | 925,466 | 81,072 |
| Decrease (Increase) in Prepaid Expenses | (70,470) | 23,859 |
| Decrease (Increase) in Accrued Electric Revenue | (1,884,911) | (1,038,590) |
| Decrease (Increase) in Miscellaneous Assets | 74,941 | 97,463 |
| Decrease (Increase) in Deferred Purchased Power Expense | 2,369,049 | 179,686 |
| Decrease (Increase) in Deferred Regulatory Charges | (116,388) | 164,769 |
| Increase (Decrease) in Deferred Regulatory Credits | (2,232,565) | (179,686) |
| Increase (Decrease) in Warrants Outstanding | (1,089,802) | (364,462) |
| Increase (Decrease) in Accounts Payable | (3,579,253) | 212,384 |
| Increase (Decrease) in Accrued Taxes Payable | (592,589) | (36,934) |
| Increase (Decrease) in Customer Deposits | 164,621 | (79,520) |
| Increase (Decrease) in Other Current Liabilities | 27,846 | (40,833) |
| Increase (Decrease) in Deferred Credits | 270,012 | (208,551) |
| Net Cash Provided by (Used for) Operating Activities | \$11,758,319 | \$1,306,181 |

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

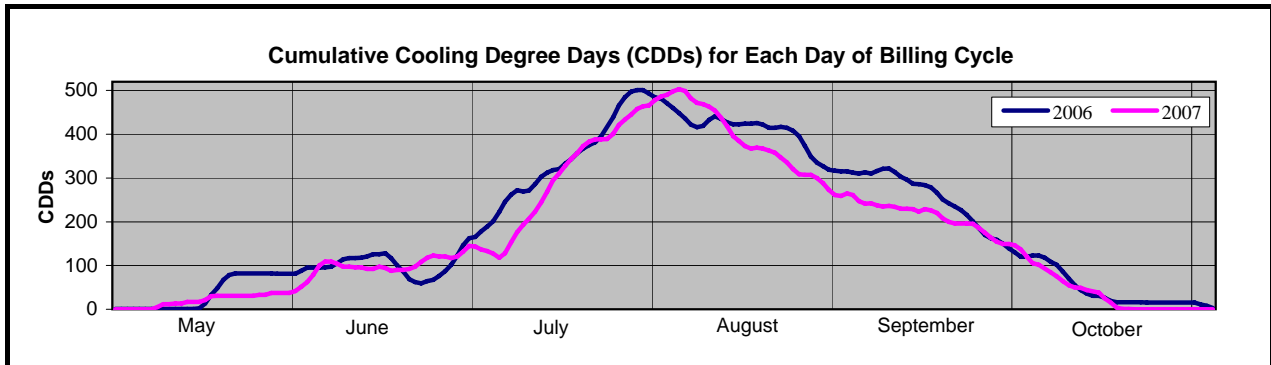


| Average Temperature | | | | | | | | | | | | | |
|---------------------|------|------|-------|-------|------|------|------|------|------|------|------|------|--------|
| Year | Jan | Feb | March | April | May | June | July | Aug | Sept | Oct | Nov | Dec | Annual |
| Normal | 31.8 | 37.9 | 46.1 | 53.5 | 61.8 | 69.3 | 76.3 | 75.4 | 65.9 | 53.0 | 40.1 | 31.7 | 53.6 |
| 2007 | 28.8 | 37.8 | 47.5 | 52.4 | 63.1 | 68.5 | 81.0 | 73.9 | 65.8 | 51.1 | | | |
| 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 | 761 | 540 | 376 | 110 | 33 | - | 1 | 84 | 419 | | | 3,445 |
| 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 HDDs in Billing Cycle | | | | | | | | | | | | | |
|----------------------------------|--------|--------|--------|--------|-------|-------|-----|----|-------|-------|--------|--------|---------|
| 2007 | 33,206 | 29,723 | 21,851 | 14,093 | 7,579 | 1,777 | 427 | 12 | 424 | 7,276 | | | 116,368 |
| 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 | - | - | - | - | 51 | 137 | 497 | 280 | 105 | - | | | 1,070 |
| 2006 | - | - | - | 1 | 88 | 171 | 471 | 312 | 123 | - | - | - | 1,166 |
| 2005 | - | - | - | 1 | 69 | 125 | 387 | 357 | 50 | - | - | - | 989 |

| Cumulative CDDs in Billing Cycle | | | | | | | | | | | | | |
|----------------------------------|---|---|---|---|-------|-------|--------|--------|-------|-------|---|---|--------|
| 2007 | - | - | - | - | 630 | 3,081 | 9,715 | 11,736 | 6,092 | 846 | | | 32,100 |
| 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**

October Highlights

Yakima Valley Farm Workers Clinic, located in Prosser, was connected to Benton PUD's fiber network. Prosser High School upgraded their connection from 10Mbps to 25Mbps. Benton PUD's Broadband team spent two days in Prosser with three of our Retail Service Providers connecting Prosser residents and businesses to the fixed wireless network. We had over thirty walk-ins and completed over fifteen site checks. There were eight residents/businesses in Prosser that were connected during those two days and additional connections have been completed since.

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 | - | \$19,671 | \$20,858 | \$21,927 | \$20,504 | \$22,827 | \$21,444 | \$22,293 | \$21,696 | \$23,364 | \$22,732 | | | \$217,316 | | |
| TDM | - | 9,479 | 9,479 | 9,479 | 9,479 | 12,646 | 11,979 | 11,979 | 11,979 | 11,979 | 11,979 | | | 110,457 | | |
| Wireless | - | 502 | 558 | 382 | 428 | 373 | 340 | 337 | 341 | 328 | 328 | | | 3,916 | | |
| Co-Location | - | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | 635 | | | 6,350 | | |
| Internet Transport Service | - | 3,853 | 23,983 | 21,010 | 17,543 | 17,897 | 20,910 | 17,717 | 18,830 | 21,228 | 20,945 | | | 183,915 | | |
| Fixed Wireless | - | 7,970 | 7,541 | 7,881 | 7,784 | 8,246 | 7,796 | 8,068 | 8,590 | 8,492 | 9,172 | | | 81,540 | | |
| Broadband Revenue - Other | - | 240 | 127 | 110 | 362 | 182 | 296 | 397 | 379 | 273 | 480 | | | 2,845 | | |
| <i>Subtotal</i> | | 42,349 | 63,180 | 61,424 | 56,735 | 62,806 | 63,399 | 61,426 | 62,450 | 66,299 | 66,271 | - | - | 606,339 | | |
| NoaNet Maintenance Revenue | - | 1,486 | - | - | 1,570 | - | - | 955 | - | - | 953 | | | 4,963 | | |
| Bad Debt Expense | - | (1,060) | (260) | (250) | (230) | (260) | (260) | (250) | (250) | (270) | (250) | | | (3,340) | | |
| <i>Total Operating Revenues</i> | 510,000 | 42,775 | 62,920 | 61,174 | 58,074 | 62,546 | 63,139 | 62,130 | 62,200 | 66,029 | 66,974 | - | - | 607,962 | (97,962) | 1,605,572 |
| OPERATING EXPENSES | | | | | | | | | | | | | | | | 2,550,313 |
| Marketing & Business Development | 55,000 | 2,953 | 6,485 | 10,663 | 5,368 | 9,225 | 3,605 | 3,618 | 4,206 | 5,441 | 11,973 | | | 63,537 | (8,537) | |
| General Expenses | 517,481 | 30,806 | 46,706 | 42,775 | 38,505 | 41,594 | 39,990 | 41,681 | 39,463 | 33,814 | 47,566 | | | 402,900 | 114,581 | |
| Other Maintenance | 55,000 | 11,737 | 1,187 | 2,035 | 2,079 | 13,270 | 2,462 | 15,974 | 3,251 | 4,935 | 4,003 | | | 60,933 | (5,933) | |
| NOC Maintenance | 37,000 | 4,857 | 6,854 | 4,414 | 4,530 | 4,530 | 4,391 | 6,791 | 4,421 | 4,509 | 4,813 | | | 50,109 | (13,109) | |
| Wireless Maintenance | - | 1,587 | 1,277 | 1,115 | 1,850 | 1,926 | 1,142 | 1,166 | 1,784 | 1,611 | 1,800 | | | 15,257 | (15,257) | |
| <i>Subtotal</i> | 664,481 | 51,940 | 62,509 | 61,002 | 52,332 | 70,544 | 51,589 | 69,231 | 53,126 | 50,310 | 70,155 | - | - | 592,737 | 71,744 | |
| NoaNet Maintenance Expense | 25,721 | - | - | 1,589 | 342 | - | 548 | - | - | 872 | - | | | 3,352 | 22,369 | |
| Depreciation | 670,211 | 52,174 | 52,174 | 52,174 | 52,174 | 52,174 | 52,174 | 52,174 | 52,174 | 52,174 | 52,174 | | | 521,740 | 148,471 | 1,909,714 |
| <i>Total Operating Expenses</i> | 1,360,413 | 104,114 | 114,683 | 114,764 | 104,848 | 122,718 | 104,312 | 121,405 | 105,300 | 103,356 | 122,329 | - | - | 1,117,828 | 242,585 | 4,460,027 |
| OPERATING INCOME (LOSS) | (850,413) | (61,338) | (51,763) | (53,590) | (46,774) | (60,172) | (41,172) | (59,274) | (43,100) | (37,327) | (55,355) | - | - | (509,866) | 340,547 | (2,854,455) |
| NONOPERATING REVENUES & EXPENSES | | | | | | | | | | | | | | | | |
| Internal Interest due to Power Business Unit ⁽¹⁾ | (477,813) | (37,317) | (37,792) | (38,148) | (38,439) | (38,909) | (39,143) | (39,481) | (39,747) | (40,113) | (40,772) | - | - | (389,861) | 87,952 | (1,672,703) |
| Other Revenues & Expenses - Inception to Date | | | | | | | | | | | | | | | | 125,299 |
| CAPITAL CONTRIBUTIONS | - | 1,663 | 1,415 | - | - | - | - | 2,750 | - | 6,414 | - | | | 12,242 | 12,242 | 146,574 |
| INTERNAL NET INCOME (LOSS) | (\$1,328,226) | (96,992) | (88,140) | (91,738) | (85,213) | (99,081) | (80,315) | (96,005) | (82,847) | (71,026) | (96,127) | - | - | (887,485) | \$440,741 | (\$4,255,285) |
| NOANET COSTS | | | | | | | | | | | | | | | | |
| Member Assessments | \$435,000 | \$36,250 | \$36,250 | \$36,250 | \$36,250 | \$36,250 | \$36,250 | \$36,250 | \$36,250 | \$35,500 | \$35,500 | | | \$361,000 | | \$2,305,695 |
| Membership Support | | 2,096 | 1,655 | 1,871 | 2,077 | 679 | 1,404 | 3,855 | 508 | 614 | 474 | | | 15,234 | | 58,862 |
| <i>Total NoaNet Costs</i> | \$435,000 | \$38,346 | \$37,905 | \$38,121 | \$38,327 | \$36,929 | \$37,654 | \$40,105 | \$36,758 | \$36,114 | \$35,974 | \$0 | \$0 | \$376,234 | \$58,766 | \$2,364,557 |
| CAPITAL EXPENDITURES | \$1,134,372 | \$65,776 | \$77,765 | \$45,968 | \$36,822 | \$68,019 | \$29,575 | \$36,545 | \$36,269 | \$72,959 | \$118,977 | | | \$588,675 | \$545,697 | \$7,424,546 |
| NET CASH FUNDING OF BROADBAND⁽²⁾ | | \$111,623 | \$113,844 | \$85,505 | \$69,749 | \$112,947 | \$56,227 | \$81,001 | \$63,952 | \$87,813 | \$158,132 | \$0 | \$0 | \$940,793 | | \$10,461,971 |

(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



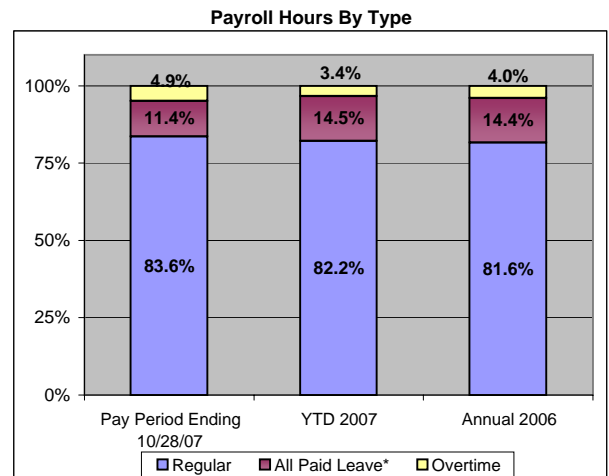
Payroll Report

Pay Period Ending October 28, 2007

| Headcount | | | | | |
|--|------------------------------|----------------------------|---------------------------|----------------|--|
| Directorate | Department | 2007 Original Budget | 2007 Amended Budget | 2007 Actual | Over (Under) Actual to Amended Budget |
| Executive Administration | | 7.0 | 7.0 | 7.0 | - |
| Finance & Business Services | | | | | |
| | Director of Finance | 5.0 | 5.0 | 5.0 | - |
| | Accounting | 7.0 | 7.0 | 7.0 | - |
| | Information Systems | 8.0 | 8.0 | 9.0 | 1.0 |
| | Key Accounts | 4.0 | 4.0 | 4.0 | - |
| | Customer Service | 27.0 | 27.0 | 27.0 | - |
| Engineering | | | | | |
| | Engineering | 9.0 | 8.0 | 8.0 | - |
| | Customer Engineering | 10.0 | 9.0 | 9.0 | - |
| Operations | | | | | |
| | Operations | 8.0 | 8.0 | 7.0 | (1.0) |
| | General Foreman | 26.0 | 26.0 | 28.0 | 2.0 |
| | Supervisor of Operations | 3.0 | 3.0 | 2.0 | (1.0) |
| | Meter Shop | 5.0 | 5.0 | 5.0 | - |
| | Transformer Shop | 8.0 | 8.0 | 7.0 | (1.0) |
| | Automotive Shop | 4.0 | 4.0 | 3.0 | (1.0) |
| | Warehouse | 7.0 | 7.0 | 7.0 | - |
| | Prosser Branch | 7.0 | 7.0 | 5.0 | (2.0) |
| | Broadband | 6.0 | 6.0 | 4.0 | (2.0) |
| Power Management | | | | | |
| | Director of Power Management | 4.0 | 4.0 | 4.0 | - |
| | Products & Services | 4.0 | 4.0 | 4.0 | - |
| Total Positions | | 159.0 | 157.0 | 152.0 | (5.0) |

| Contingent Positions | | | | | |
|---------------------------------------|------------------|----------------|----------------------------------|-----------------------|--------------------|
| Position | Department | Hours | | 2007 Actual YTD | % YTD to Budget |
| | | 2007 Budget | Pay Period Ending 10/28/07 | | |
| Engineering Intern | Engineering | - | - | 250 | - |
| Meter Readers On-Call | Customer Service | - | 48 | 1,278 | - |
| NECA Lineman | Operations | - | 77 | 1,813 | - |
| CSR On-Call - Prosser | Prosser Branch | 1,040 | 55 | 1,568 | 151% |
| CSR On-Call - Kennewick | Customer Service | 520 | - | 318 | 61% |
| Total All Contingent Positions | | 1,560 | 180 | 5,227 | 335% |

| 2007 Labor Budget | | | | |
|-------------------|----------------------------|---------------------------|--------------------|------------|
| Labor Type | As of 10/31/07 | | YTD Actual | % Spent |
| | 2007 Original Budget | 2007 Amended Budget | | |
| Regular | \$10,327,698 | \$10,231,698 | \$8,367,586 | 82% |
| Overtime | 481,310 | 488,310 | 499,164 | 102% |
| Subtotal | 10,809,008 | 10,720,008 | 8,866,749 | 83% |
| Less: Mutual Aid | | - | (79,294) | - |
| Total | | \$10,720,008 | \$8,787,455 | 82% |



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