Proposed Rate Increases
&
2026 Preliminary Budget

Public Hearing

November 12, 2025

Benton PUD Public Hearing

Topic: Proposed 2026 Budget and Rate Increases

Wednesday, November 12, 2025 • 6:00 PM Benton PUD Auditorium, Kennewick

To find out more, including a virtual option to attend, scan this QR code or go to BentonPUD.org

BENTON P·U·D

If approved, proposed rates are scheduled to take effect on April 1, 2026

Why propose a rate increase?

- Rising power supply costs: On October 1, 2025, Benton PUD's wholesale electricity provider Bonneville Power Administration (BPA) increased power rates by an average of 8.9% and transmission rates by an average of 19.9%
  - » BPA's increase is driven by rising operational costs and the need to fund critically important upgrades to hydroelectric dams, transmission systems, and the Columbia Generating Station nuclear plant
  - » Benton PUD along with consumer owned utilities across the Northwest worked hard to advocate for consumers to ensure reasonable BPA rates which resulted in a lower rate increase than originally proposed
- BPA power costs represent over 50% of Benton PUD's entire budget
  - » Power supply costs account for $85.4 million of Benton PUD's 2026 annual retail revenue requirement of $150.5 million

What you need to know!

- As a consumer-owned not-for-profit utility, the increase in power costs have a direct and significant impact on Benton PUD's retail rates
- As a result, Benton PUD is proposing to increase retail rates April 1, 2026
- Through the strategic use of cash reserves and responsible use of low-interest debt Benton PUD is able to propose smaller rate increases than would otherwise be needed
- To better align rates with cost causation principles, the proposed retail rate increases are different by rate class and would be implemented by increasing the Demand Charge for most customers; with three rate classes requiring no rate increase

2% Increase in Retail Revenues

$2.8M

Proposed Rate Increases

Rate Class	Services	Increase
Residential	48,880	2.5 %
Small General Service	5,632	2.1 %
Medium General Service	718	0 %
Large General Service	91	
Large Industrial	5	
All Irrigation	977	3 %
Street Lights	6,092	2 %
Security Lights	1,803	10 %
Unmetered	400	

Average residential monthly bill will increase from $121 to $124

Proposed Residential Increase

	Current	Proposed
Energy (kWh)	7.22¢	7.22¢ (no change)
Demand (kW)	$1.05	$1.54
Daily System	$0.66	$0.66 (no change)

Budget Development Schedule

We are Here (Nov 12)

- **Oct 28** — Distribute High-Level Preliminary 2026 Budget Information
- **Nov 6** — Distribute Preliminary 2026 Budget Detailed Information
- **Nov 12** — Public Hearing: Preliminary 2026 Budget and Rate Increase; Public Comment Period Opened
- **Nov 25** — Commission Meeting
- **Dec 2** — Public Comment Period Closed
- **Dec 9** — Final 2026 Budget Considered for Adoption and 2026 Rate Increase

Agenda

1. Proposed Rate Increases – **Rick Dunn**
2. Questions & Comments
3. Short Break
4. Budget Presentation – **Rick Dunn, Jon Meyer, Chris Johnson, Keith Mercer & Chris Folta**
5. Questions & Comments

PROPOSED RATE INCREASES (RICK DUNN)

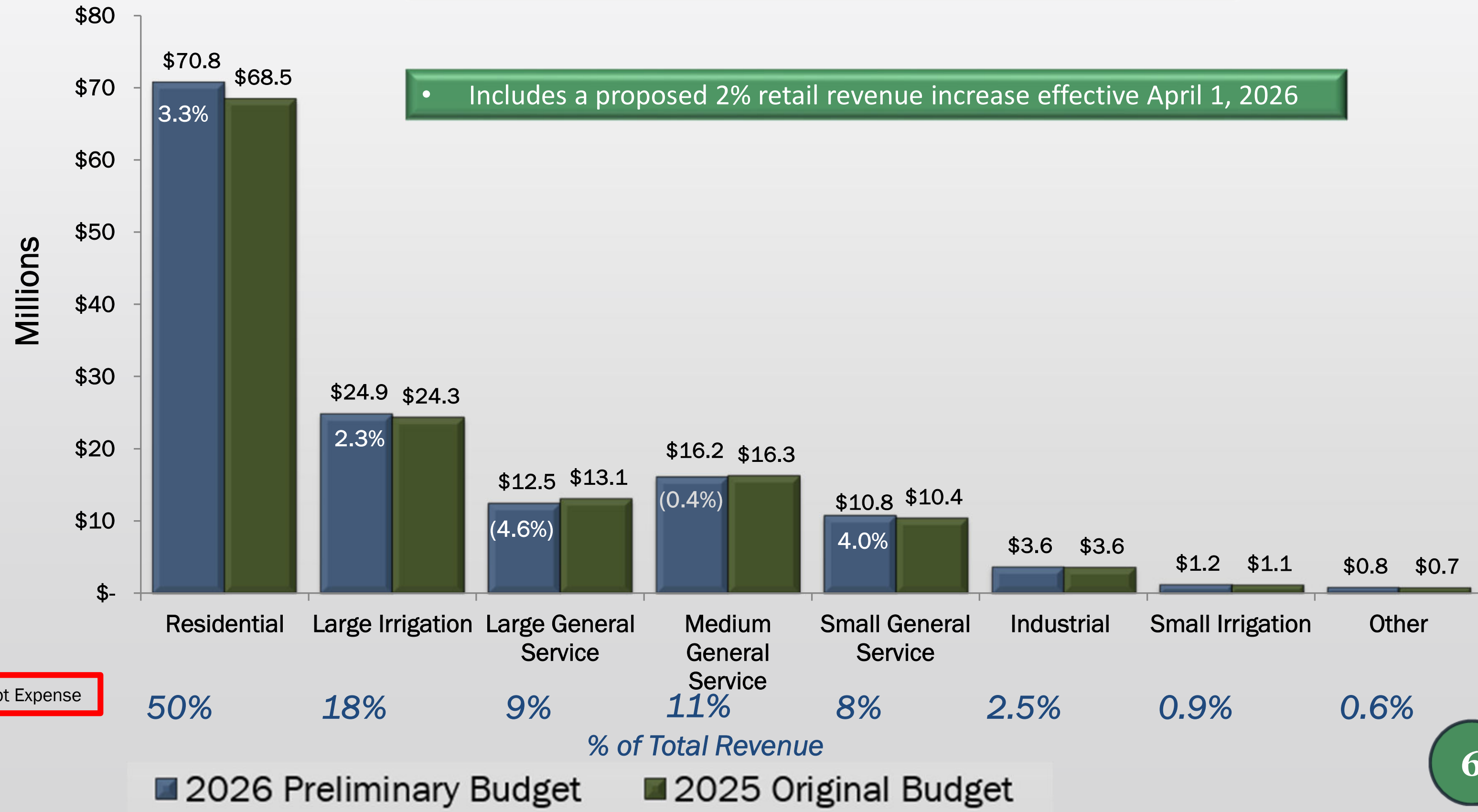
Revenues

(Energy Sales – Retail Customer Rate Classes Only, excludes City occupation tax & Bad Debt Expense)

2026 Preliminary Budget
Total Energy Sales – Retail Customer Rate Classes Only
$140.7 million

*Excludes City Occupation Tax and Bad Debt Expense

- Includes a proposed 2% retail revenue increase effective April 1, 2026



BENTON P·U·D

Proposed* Rate Increases

2% Increase in Retail Revenues ($2.8 million)

Rate Class	Services	Increase**
Residential	48,880	2.5%
Small General Service	5,632	2.1%
Medium General Service Large General Service Large Industrial	718 91 5	0%
All Irrigation	977	3%
Street Lights	6,092	2%
Security Lights Unmetered	1,803 400	10%

**Average overall increase for the Rate Class

Residential Rates

	Current	Proposed*
Energy (kWh)	7.22¢	7.22¢
Demand (kW)	$1.05	$1.54
Daily System	$0.66	$0.66

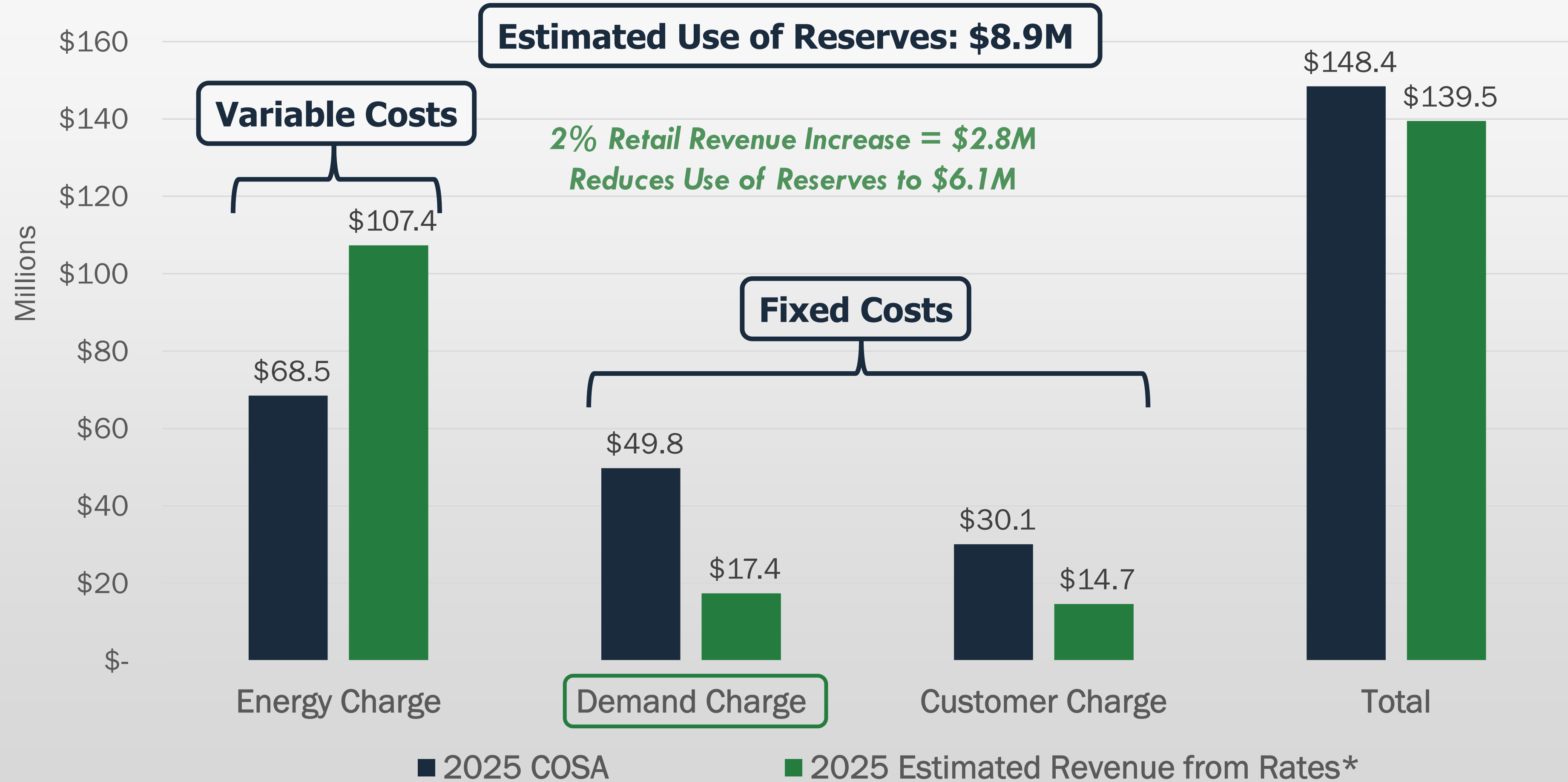
Average Monthly Residential Bill

	Current	Proposed*	Difference
1,300 kWh	$93.86	$93.86	$0.00
7 kW	$7.35	$10.78	$3.43
30 days	$19.80	$19.80	$0.00
Total	$121.01	$124.44	$3.43

Individual impacts will differ according to each customer's demand profile and level of energy use

*Rate increase percentages and effective dates require explicit commission approval by resolution prior to implementation

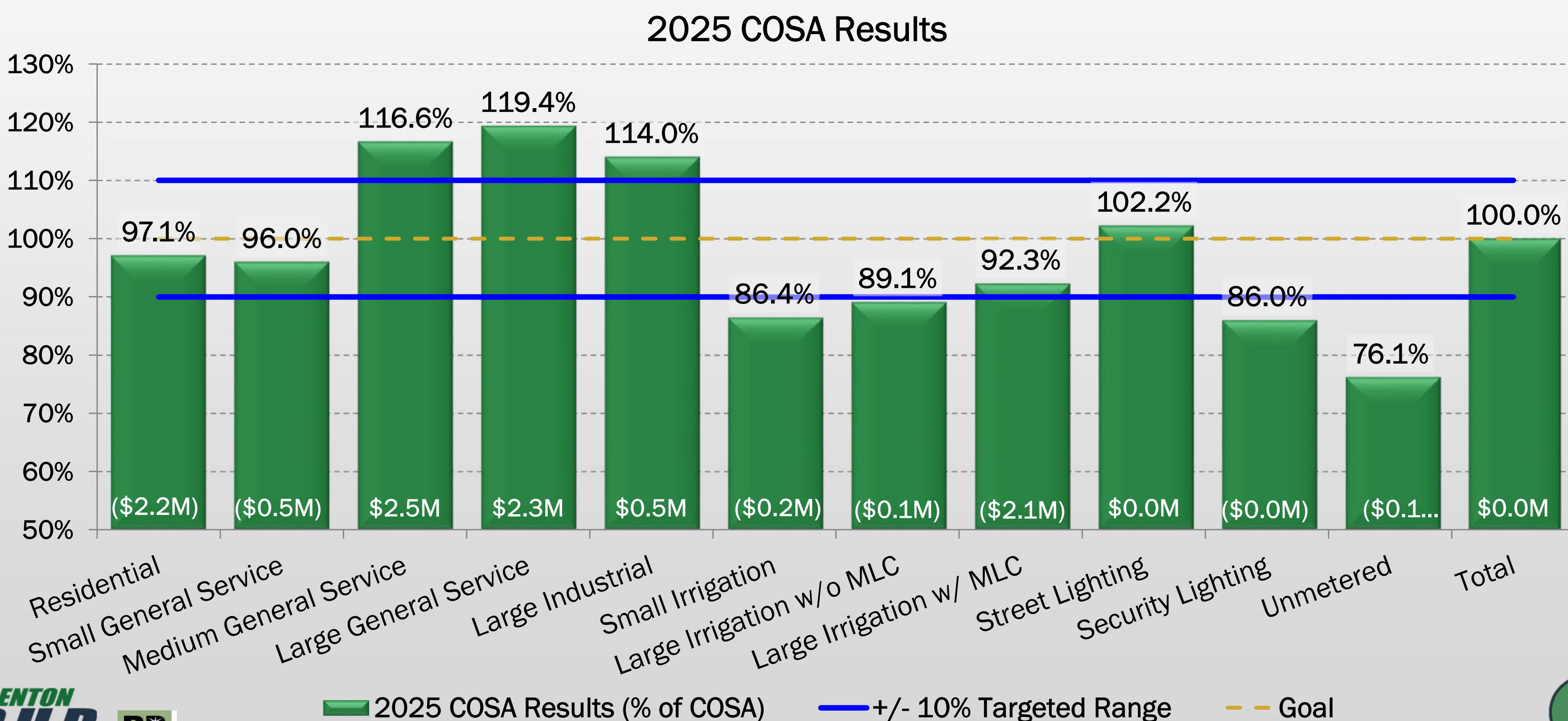
2025 COSA Results Versus Estimated Rates



*Using 2024 load forecast and 2025 rates. Includes $650k reduction for low-income discount.

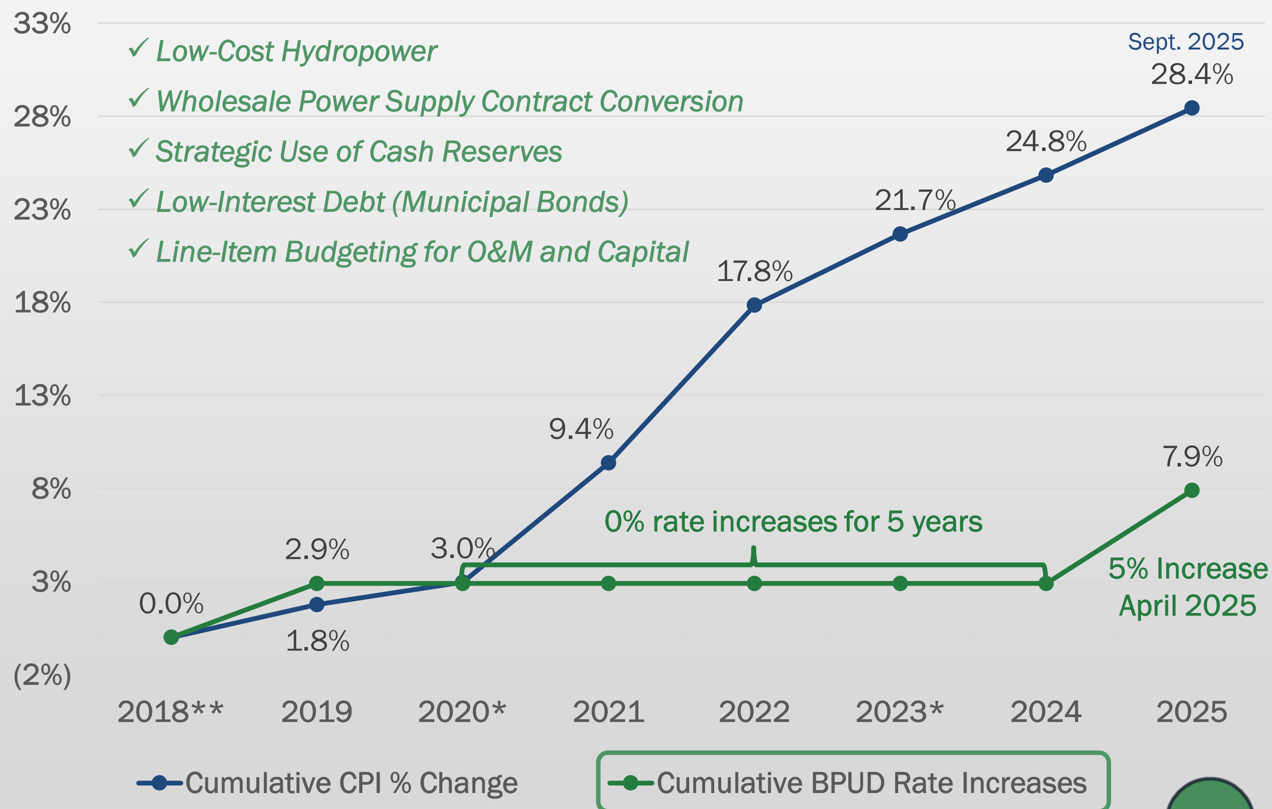
2025 COSA Results Comparison to Target

(Incorporating the strategic use of $8.9 million in reserves | $ amounts reflect (under)/over collection including reserves)



Holding the line on Rates during High Inflation

Oct. – Oct. Consumer Price Index for All Urban Consumers (CPI-U)
Cumulative % Change from 2018 - 2025

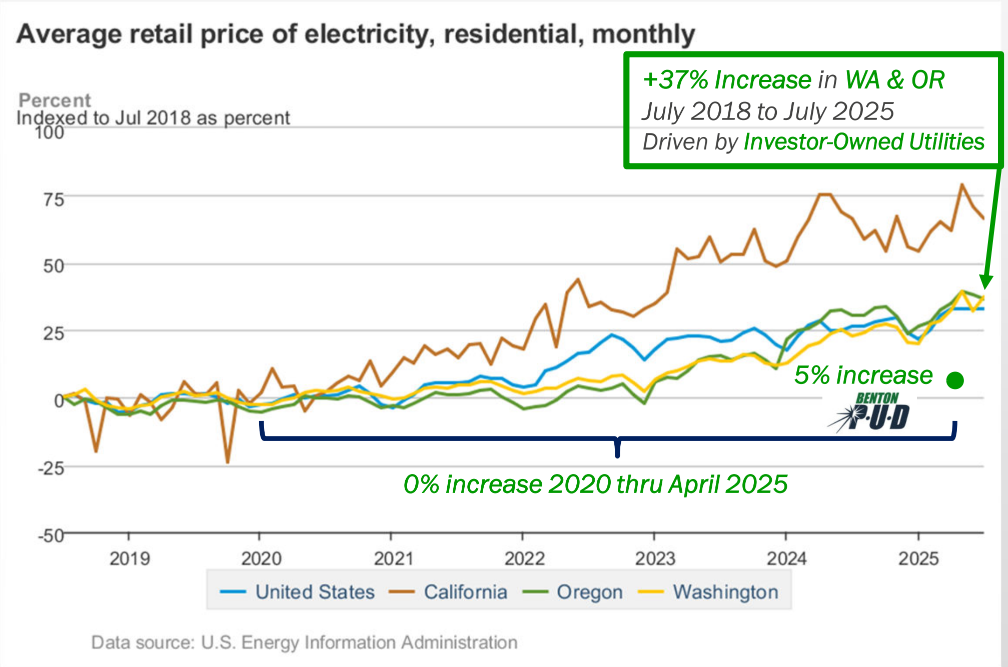


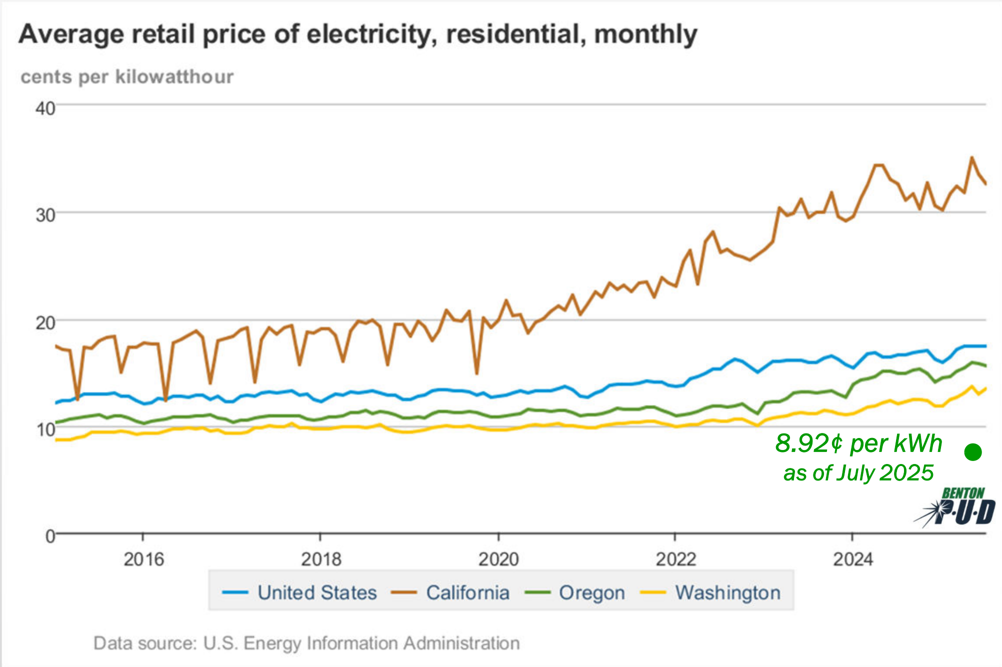
*Issued Bonds
**Base year used to calculate cumulative CPI-U percentage increase

WA, OR, & CA Residential Rates Increasing

Affordable Hydro has mitigated rate increase % and rising ¢ per kWh

*West Coast Residential **Rate Increases** Since July 2018*





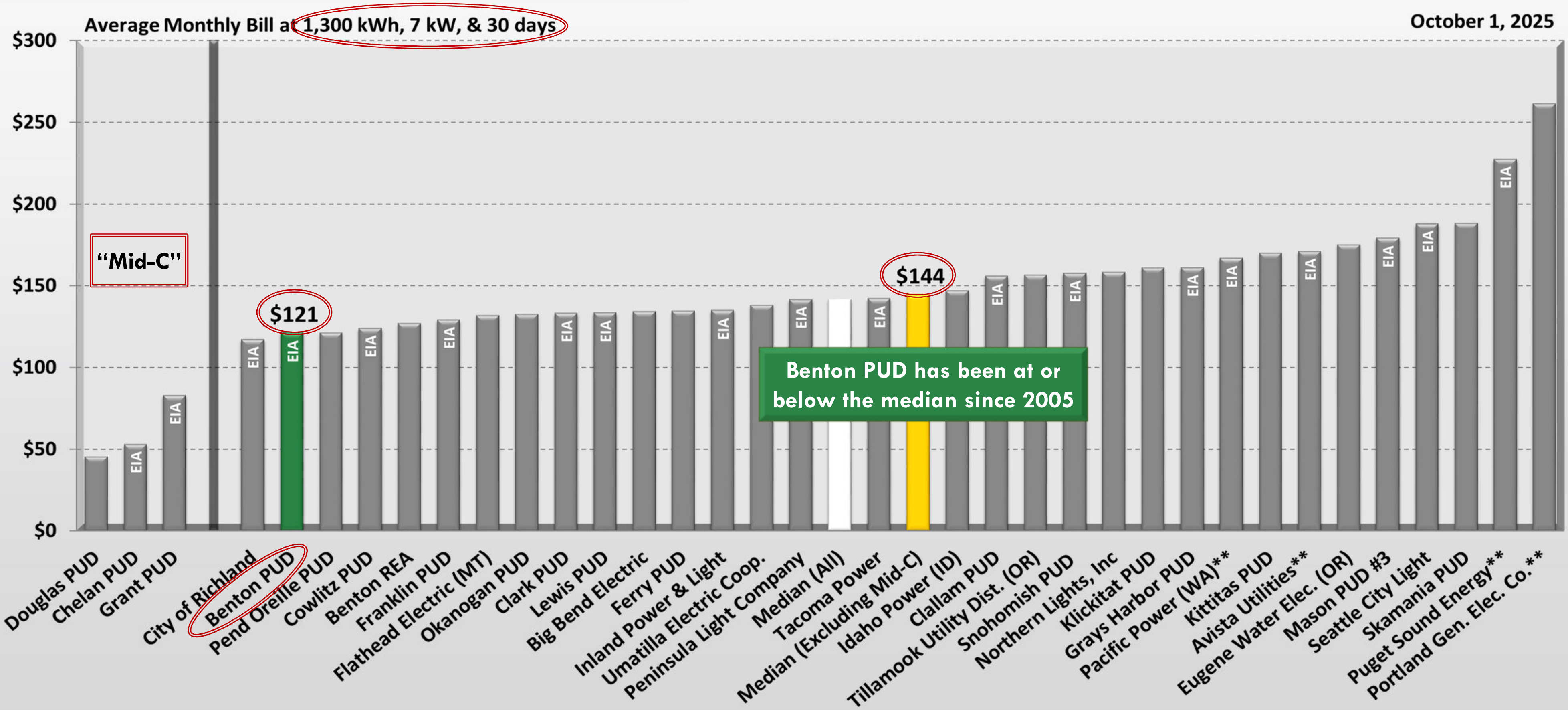
Average Residential Rates by State & Benton PUD

Source: U.S. Energy Information Administration (EIA) 2024 Data Released October 7, 2025

*Average Residential Revenue per kWh (cents) found in Benton PUD's 2024 Annual Comprehensive Financial Report

MONTHLY BILL COMPARISON
RESIDENTIAL

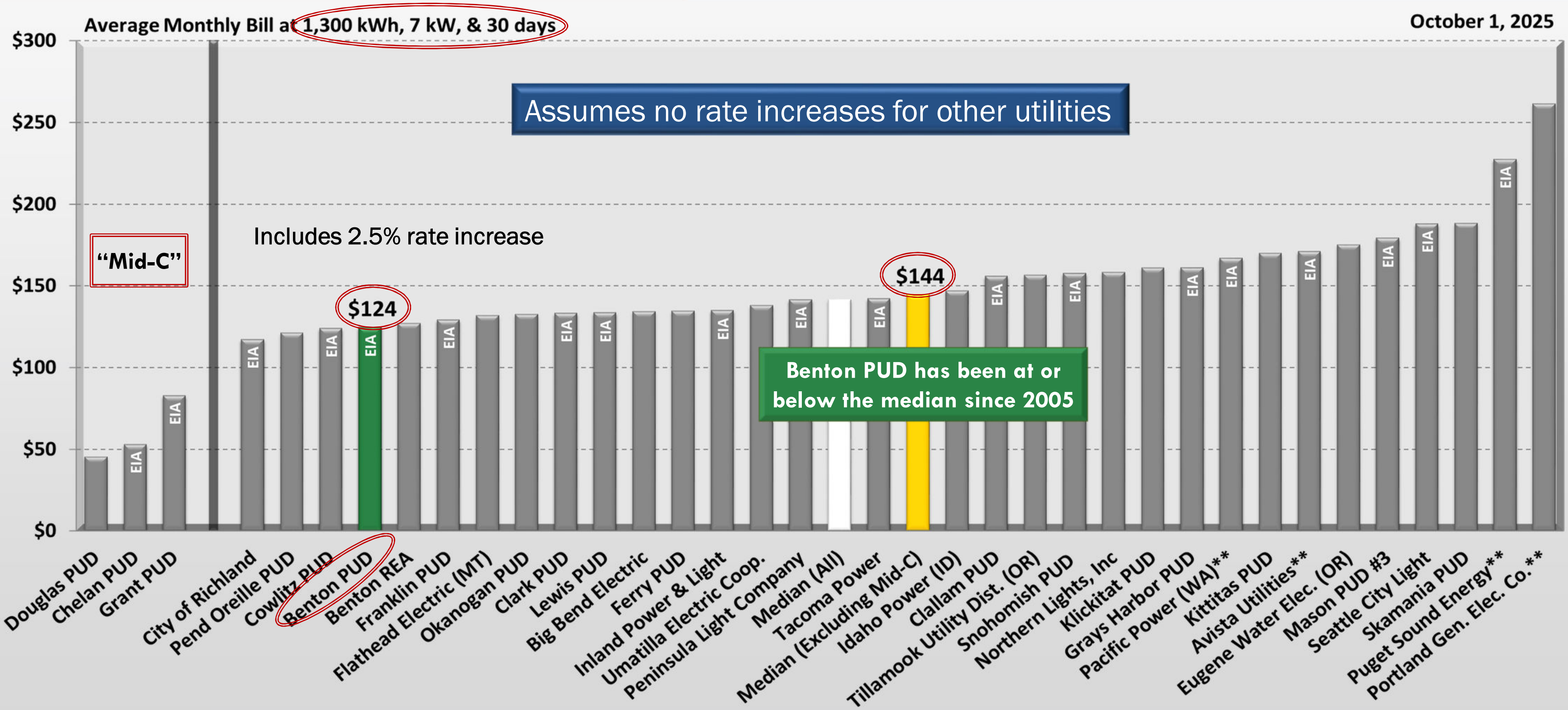
Billing Determinants	Current Rate
Energy Charge	7.22¢ per kWh
Demand Charge	$1.05 per KW
Daily System Charge	$0.66 per day



Average bill information has been calculated by Benton PUD staff from publicly available information from other utilities' websites. Calculation is Benton PUD's best effort to provide comparable information.

MONTHLY BILL COMPARISON
RESIDENTIAL

Billing Determinants	Current Rate	Proposed Rate*
Energy Charge	7.22¢ per kWh	7.22¢ per kWh
Demand Charge	$1.05 per KW	$1.54 per KW
Daily System Charge	$0.66 per day	$0.66 per day

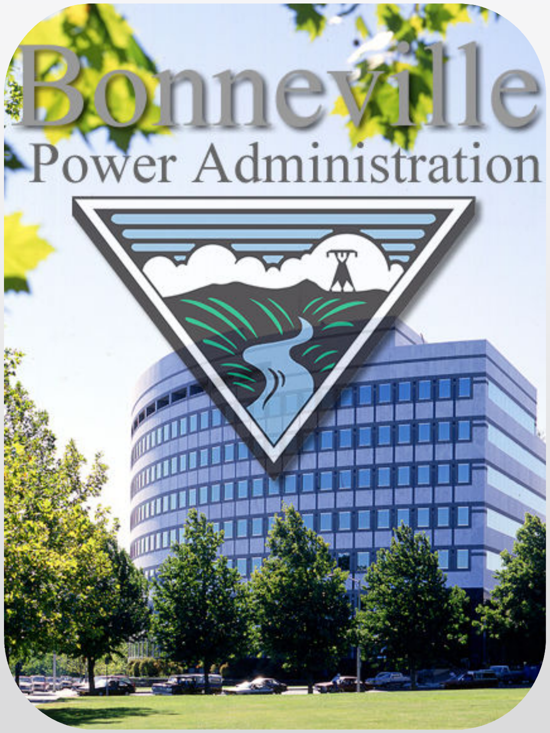


Average bill information has been calculated by Benton PUD staff from publicly available information from other utilities' websites. Calculation is Benton PUD's best effort to provide comparable information.

*Rate increase percentages and effective dates require explicit commission approval by resolution prior to implementation

BENTON P·U·D

Cost Driver Review

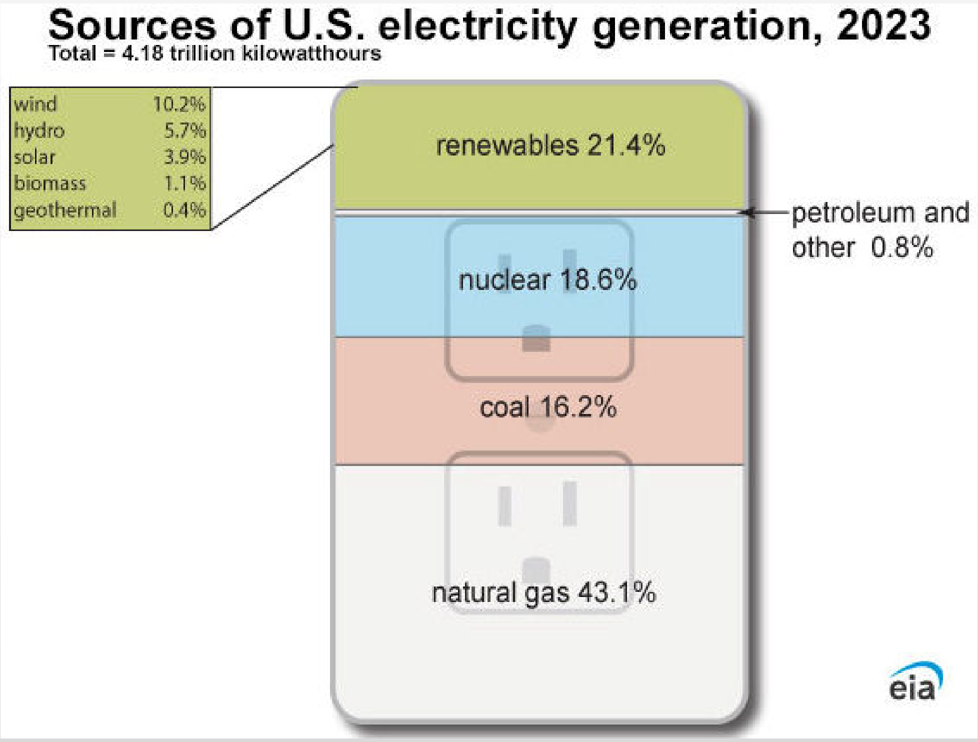


Power Costs

Supply Chain

Labor & Benefits

U.S. ELECTRICITY GENERATION



Source: https://www.eia.gov/energyexplained/electricity/

- **Fossil Fuels = 60%**
- **Renewables = 21.4%**
  - Wind & Solar = 14.1%
  - Hydro = 5.7%
- **Nuclear = 18.6%**
- ***39% Non-CO_2 Emitting***

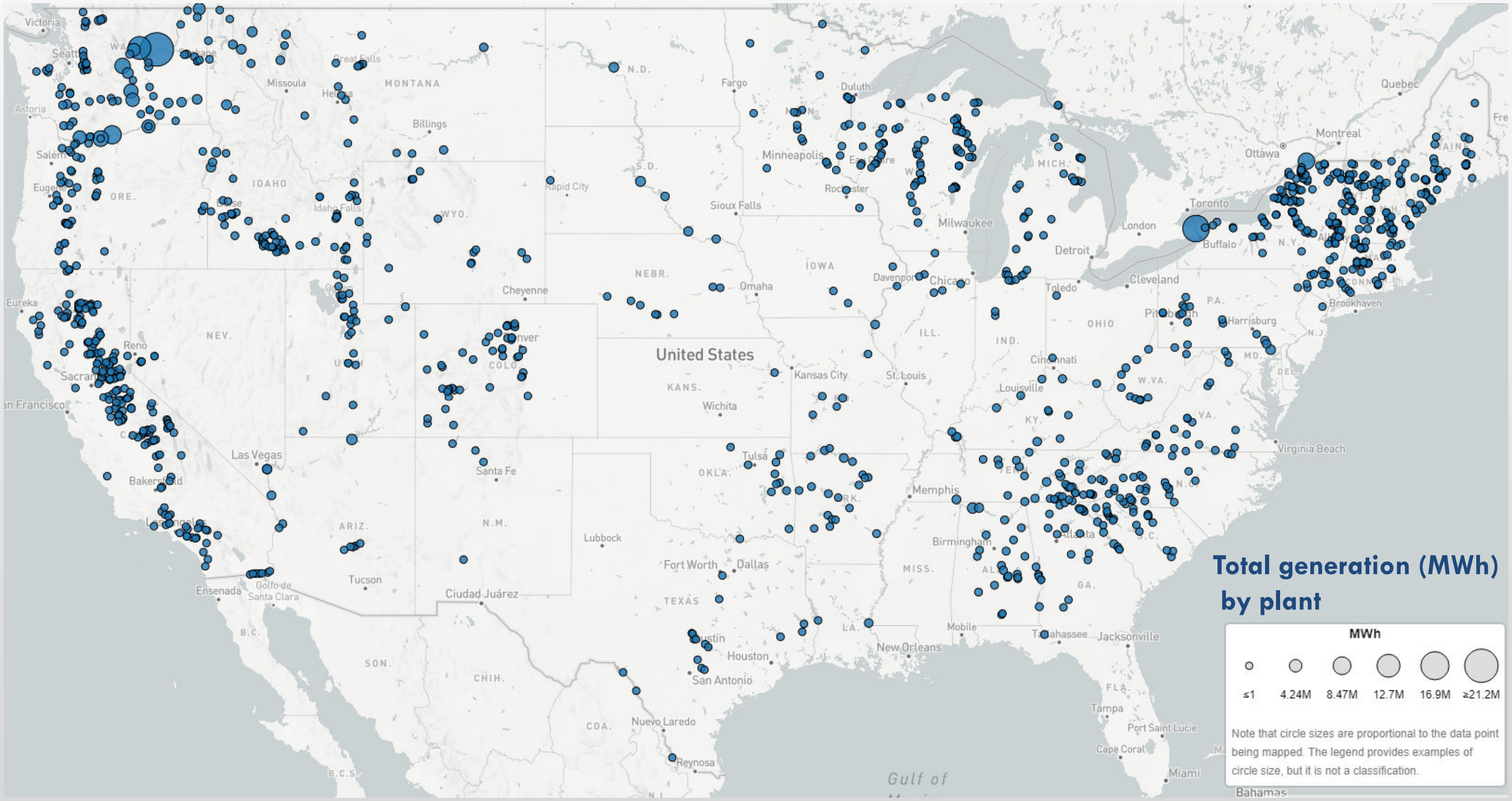
HYDROPOWER = 5.7% OF U.S. ELECTRICITY

Northwest Hydropower Like Nowhere Else:

Electricity Provided

✓ 50% of PNW Region

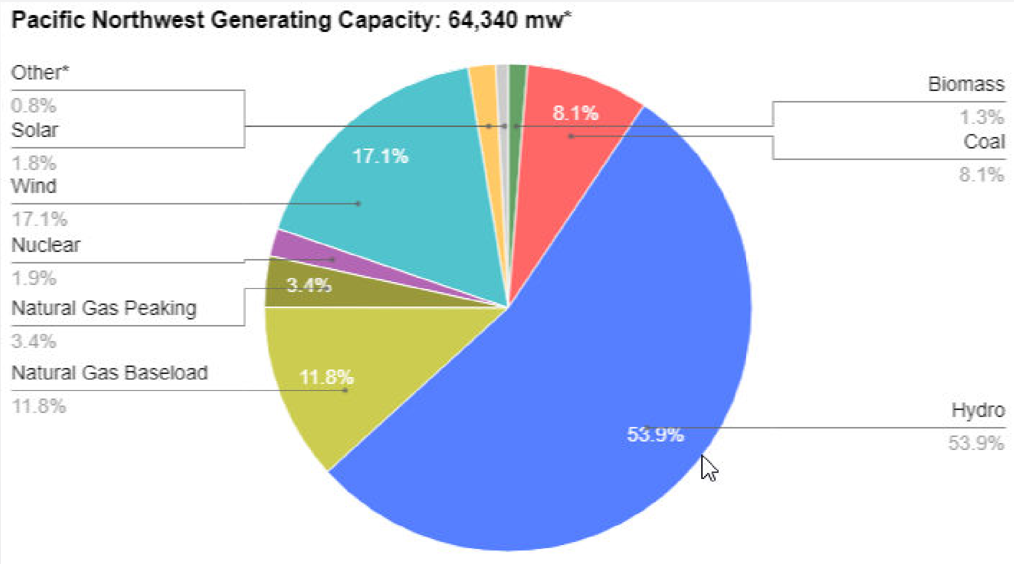
✓ 60% of Washington



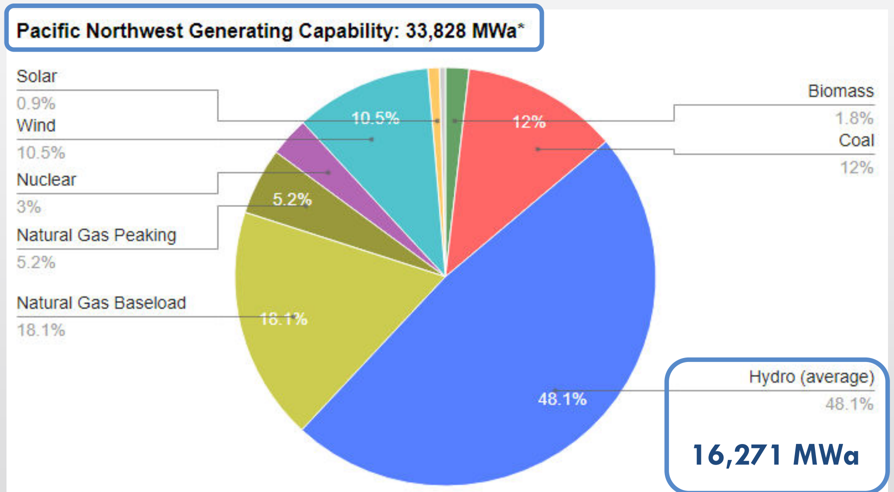
Source: epa.gov/egrid/data-explorer

HYDROPOWER: *FOUNDATION OF PACIFIC NORTHWEST ELECTRICITY SUPPLY*

PNW Nameplate Capacity



PNW Annual Electricity Production



Capability is the maximum amount of energy the plants are capable of producing over the course of an average year. Download chart as PNG

* Other (yellow segment) includes geothermal, petroleum, and solar

Bonneville Power Administration

≈ 50% of hydro generation in average year

Source: https://www.nwcouncil.org/energy/energy-topics/power-supply

BPA Hydropower: *Foundation of Public Power Supply*

Bonneville POWER ADMINISTRATION

Federal Power Marketer

- **31 Federal Hydroelectric Dams**
- **Columbia Generating Station Nuclear Plant**

"Preference Customers"

✓ ***Lowest Cost Generation***

✓ ***BPA Must Meet Utility Firm Net Load when Requested***

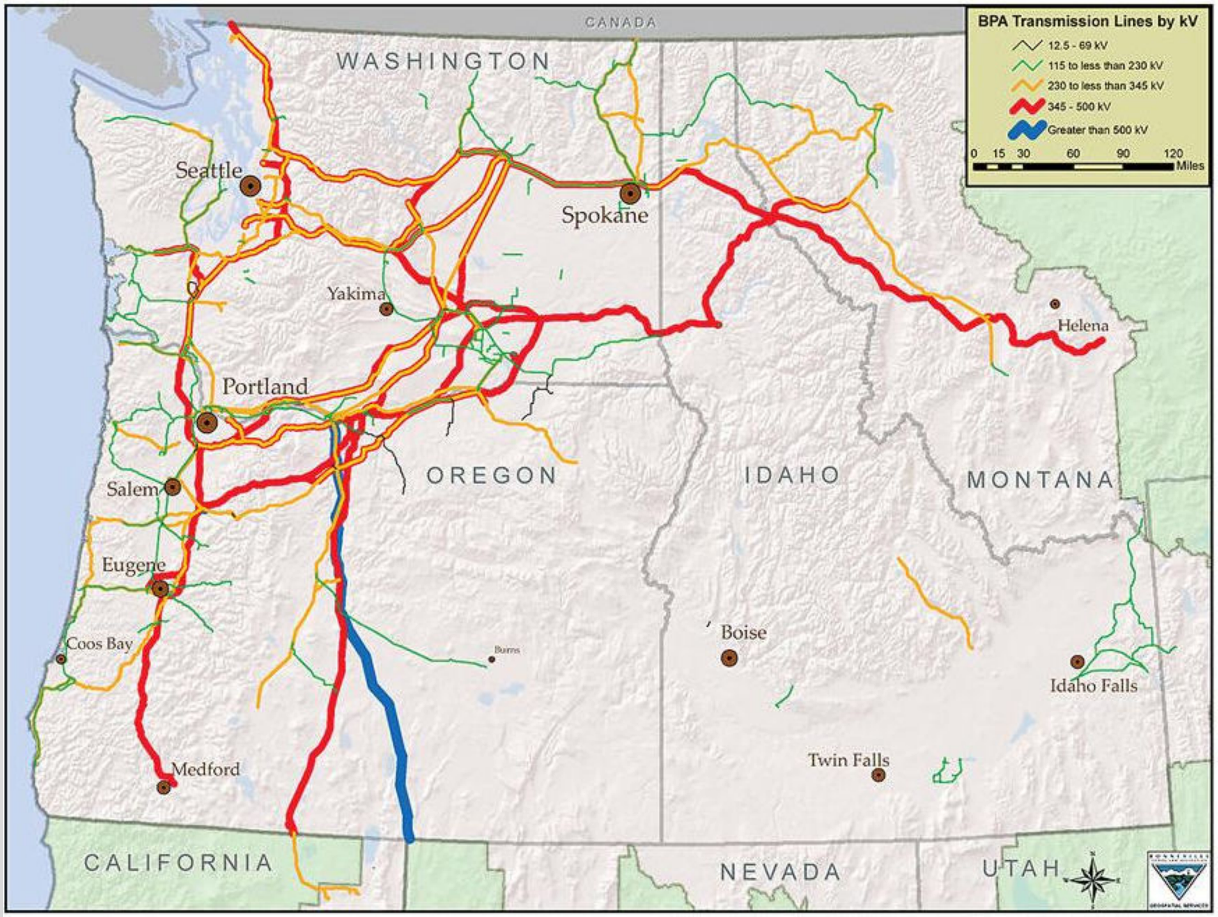
Customers

Cooperatives	54
Municipalities	42
Public utility districts	28
Federal agencies	7
Investor-owned utilities	6
Direct-service industries	1
Port districts	1
Tribal utilities	3
Total	142

✓ ***Investor-Owned Utilities*** are not preference customers & ***do not receive*** physical firm electricity today

- Receive ***financial payments*** on behalf of residential & farm customers (residential exchange program)

BPA TRANSMISSION: *75% of NW Grid*



Bonneville POWER ADMINISTRATION

Transmission system

Operating voltage	Circuit miles
1,100 kV	1
1,000 kV	264[10]
500 kV	4,860
345 kV	570
287 kV	229
230 kV	5,337
161 kV	119
138 kV	56
115 kV	3,440
below 115 kV	301
Total[11]	15,179

10/ BPA's portion of the PNW/PSW direct-current intertie. The total length of this line from The Dalles, Oregon, to Los Angeles, California is 846 miles.
11/ Total circuit miles as of February 2019.

- ✓ *Arteries ≈ 11,261 miles (**74%**)*
- ✓ *Veins ≈ 3,916 miles (**26%**)*

Power Costs are on the Rise

ENVIRONMENT AMERICA

Washington state commits to 100% clean energy

Washington is the latest state to go all-in on clean, carbon-free electricity.

Washington is the latest state to go all-in on clean, carbon-free electricity.

On May 7, Gov. Jay Inslee signed the 100% clean electricity bill into law,

BPA and customers settle on strategic rate increases to meet customer load growth and connect new generation

July 24, 2025

The Bonneville Power Administration continues to demonstrate its commitment to keeping power and transmission rates among the lowest in the Pacific Northwest. In collaboration with customers, BPA is strategically raising power and transmission rates to meet customer needs and support national priorities for more abundant, reliable and secure energy.

Lower than initially anticipated, the final rates for fiscal years 2026, 2027 and 2028 follow more than a decade of holding increases at or below the rate of inflation – an accomplishment that stands out among the rising rates of regional utilities during the same period.

The average effective increase for the Priority Firm Tier 1 power rate, which represents the majority of BPA's power sales, is 8.9%. The average transmission service rate increase across all products is 19.9%.

The rates were developed through a series of settlements among rate case parties and BPA staff, resulting in lower rate increases than BPA initially proposed while continuing to support investments in the federal power and transmission systems. The settlements balance the need to keep rates as low as possible while recovering projected cost increases to maintain reliable, safe operations as BPA delivers power across more than 15,000 circuit miles of high-voltage transmission in a nine-state region of more than 300,000 square miles.

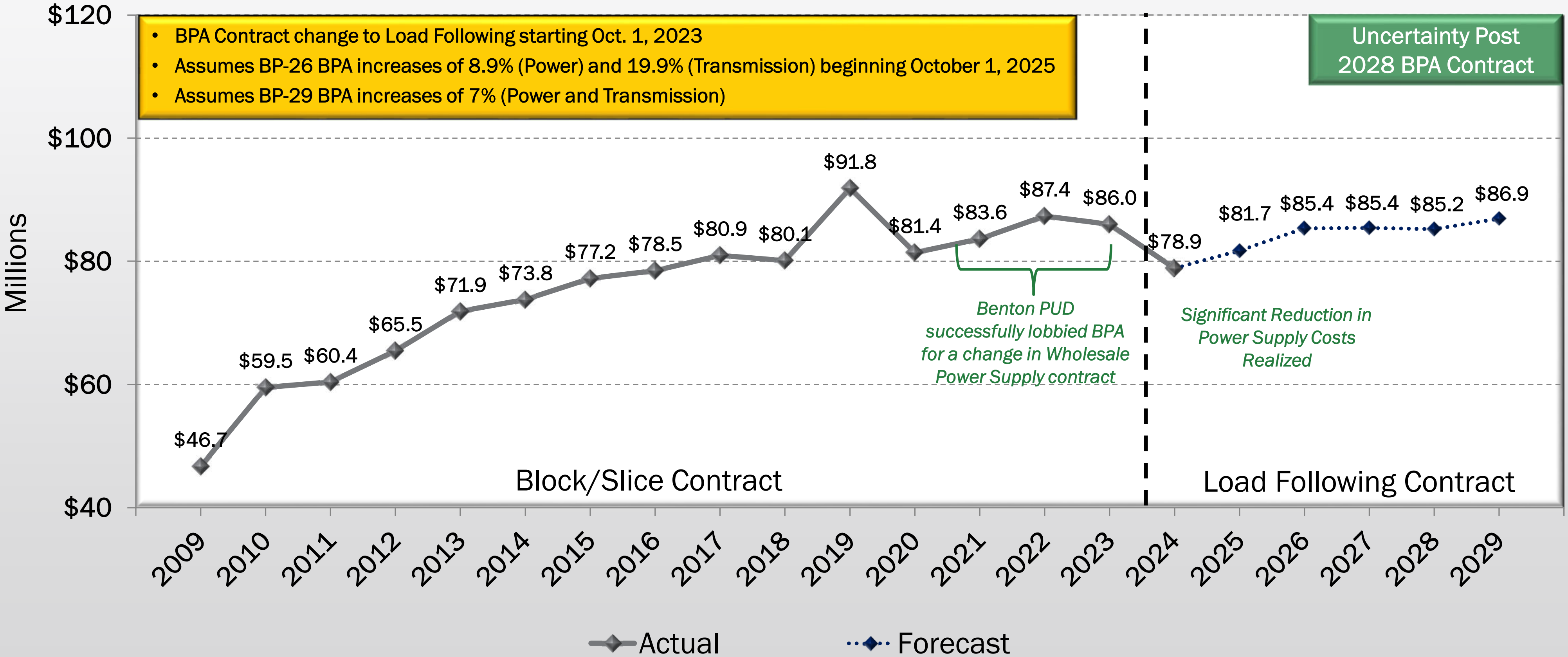
Outside of Existing Hydropower and CGS Nuclear, there is no such thing as reliable, low-cost & CO_2-free electricity

- ✓ *Power Costs Increasing 8.9%*
- ✓ *Transmission Costs Increasing 19.9%*
- ✓ *Tier-2 Rates Up +170% over 2019 Rate ($68/MWh versus $25/MWh)*

BENTON P·U·D

RP3 Reliable Public Power Provider

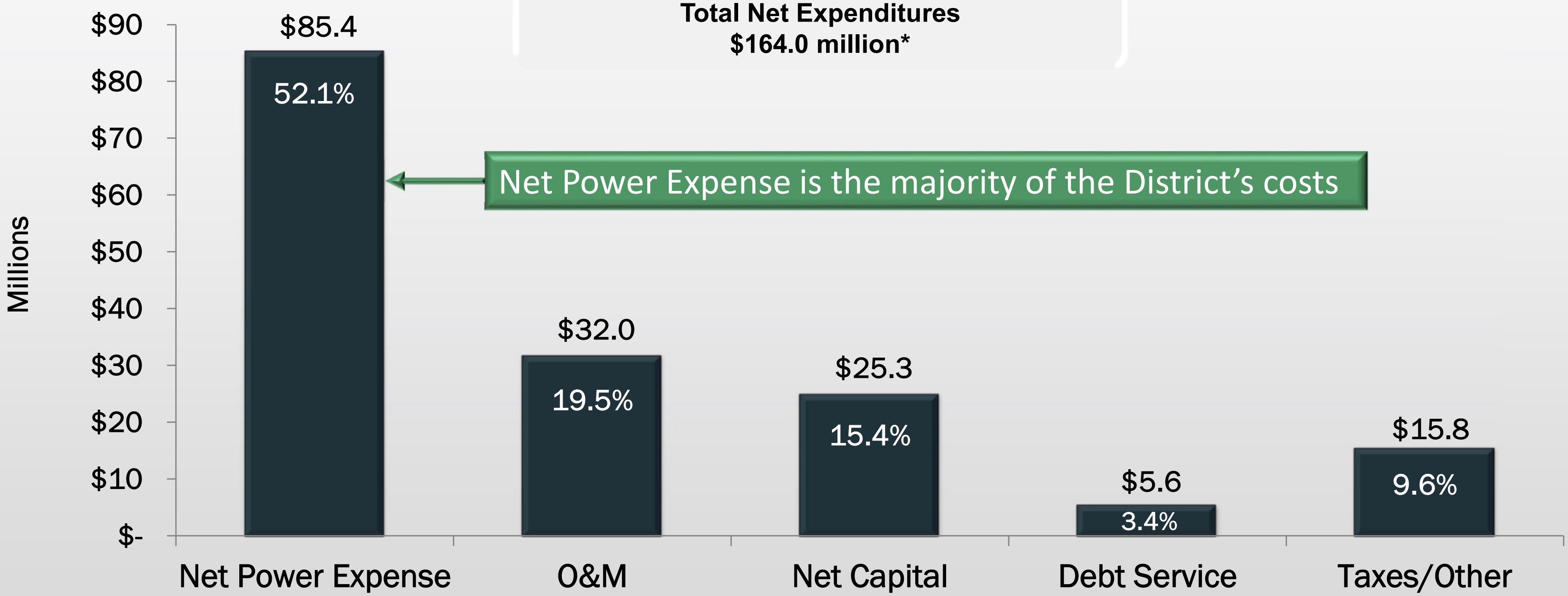
NET POWER COSTS*



** Net power costs (NPC) = gross power costs (including power and transmission) less sales for resale.*

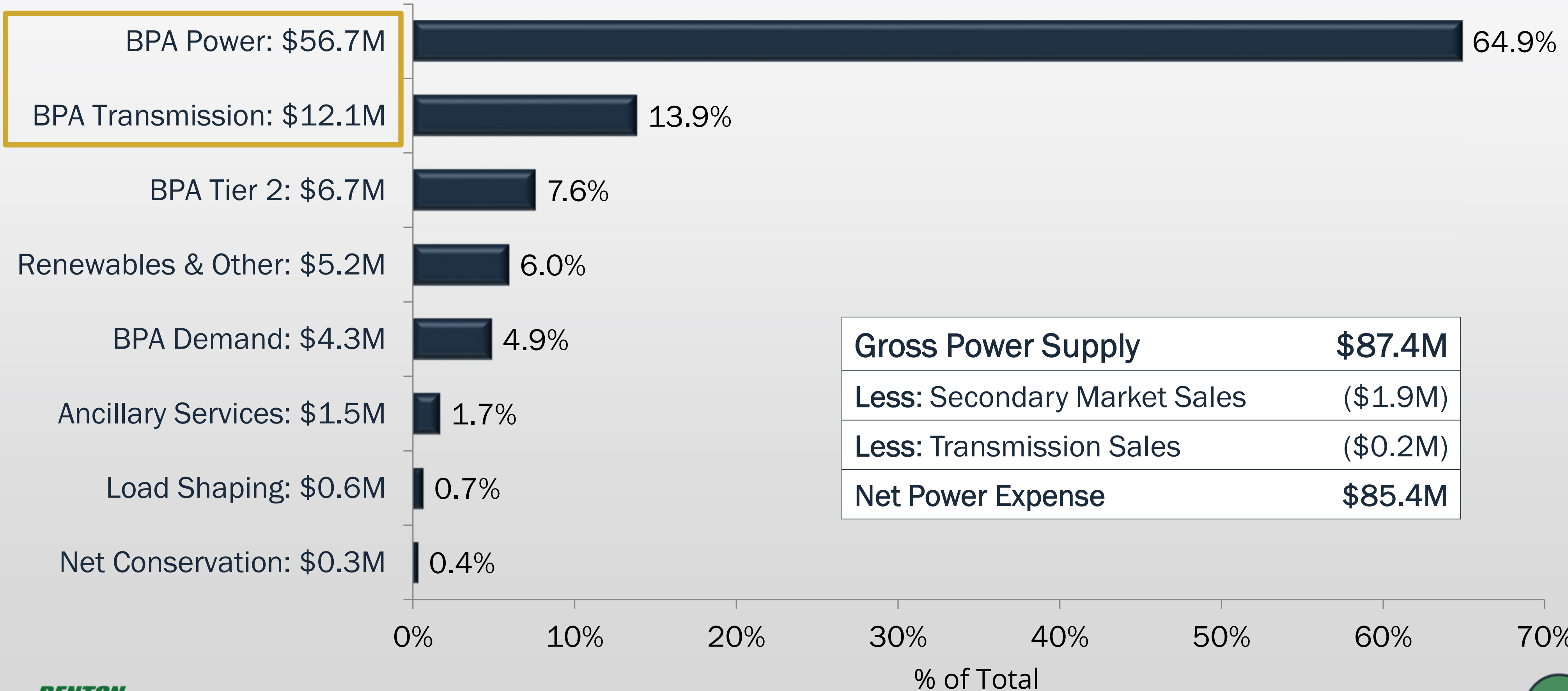
2026 Budgeted Expenses

2026 Preliminary Budget
Total Net Expenditures
$164.0 million*



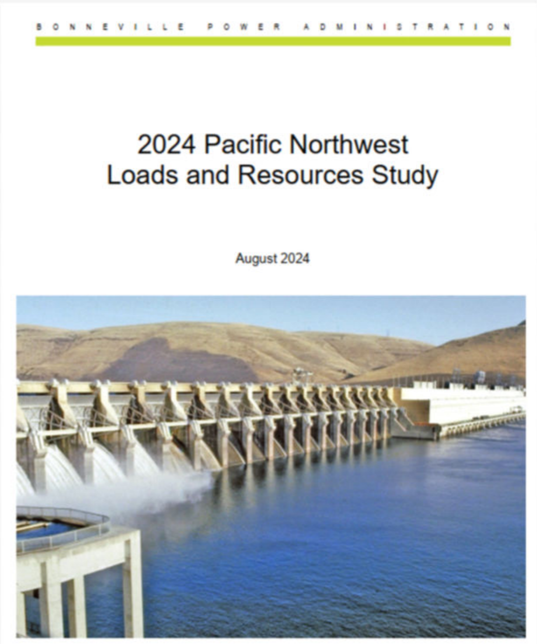
***** Net of secondary market sales of $2.0 million, capital contributions of $6.6 million, and Build America Bonds subsidy of $0.3 million***

2026 Gross Power Supply Cost by Source



Gross Power Supply	**$87.4M**
Less: Secondary Market Sales	($1.9M)
Less: Transmission Sales	($0.2M)
Net Power Expense	**$85.4M**

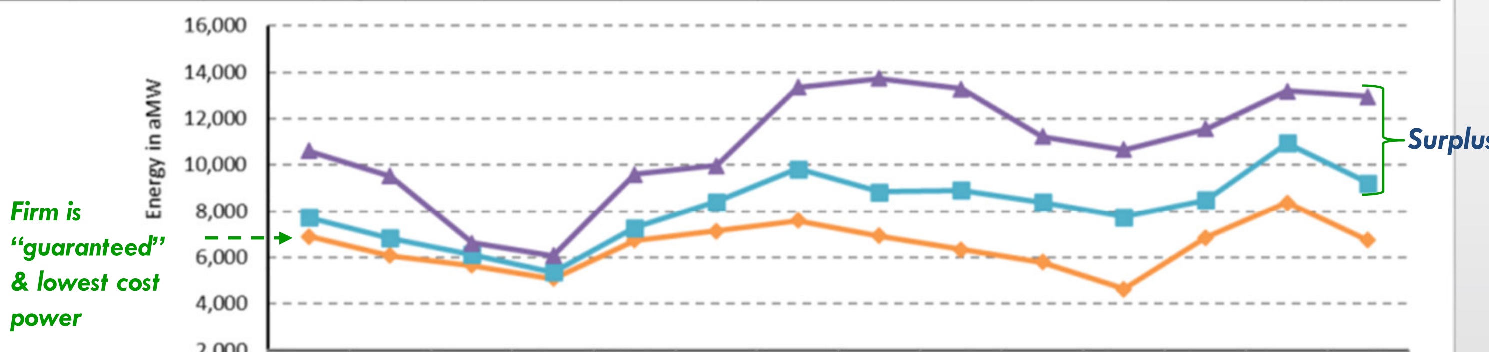
BPA HYDROPOWER: FIRM ENERGY IS SPOKEN FOR


BONNEVILLE POWER ADMINISTRATION

2024 Pacific Northwest
Loads and Resources Study

August 2024

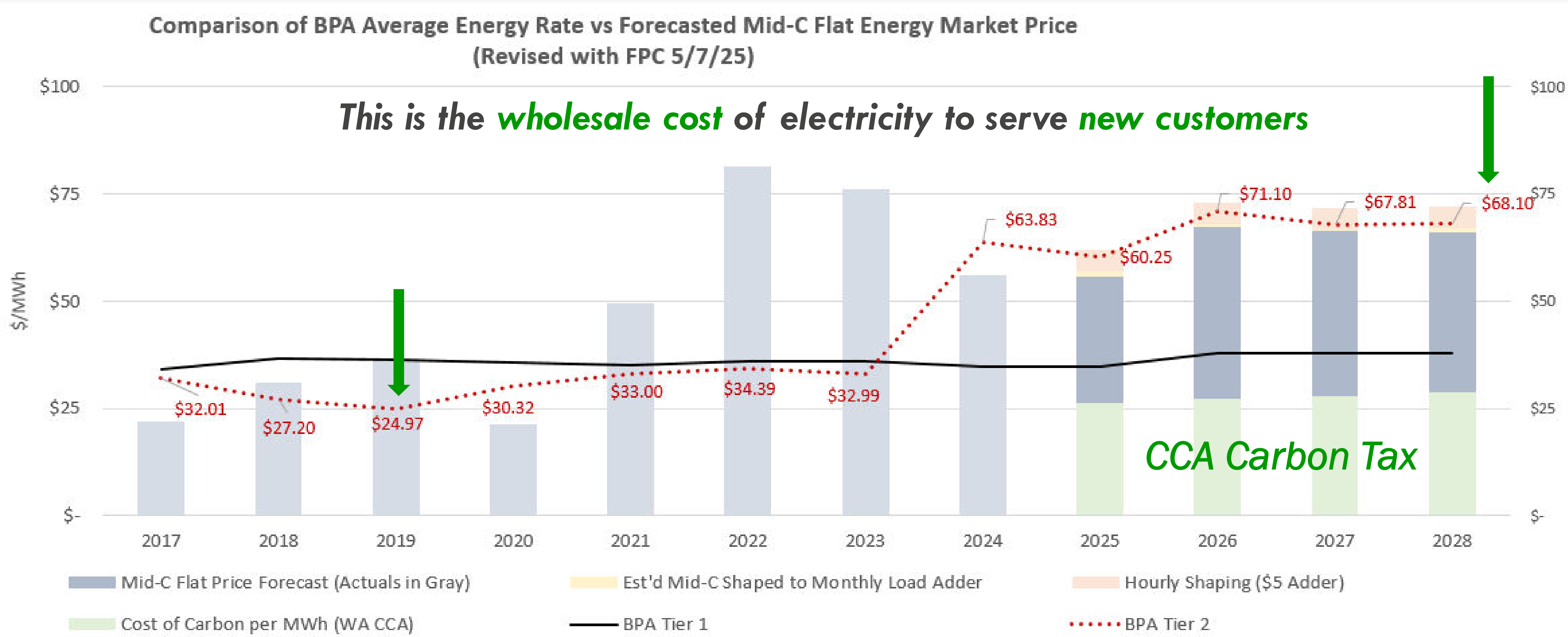
Table 2-9 Federal System Monthly Hydro Generation Variability by Streamflow Conditions – OY2025



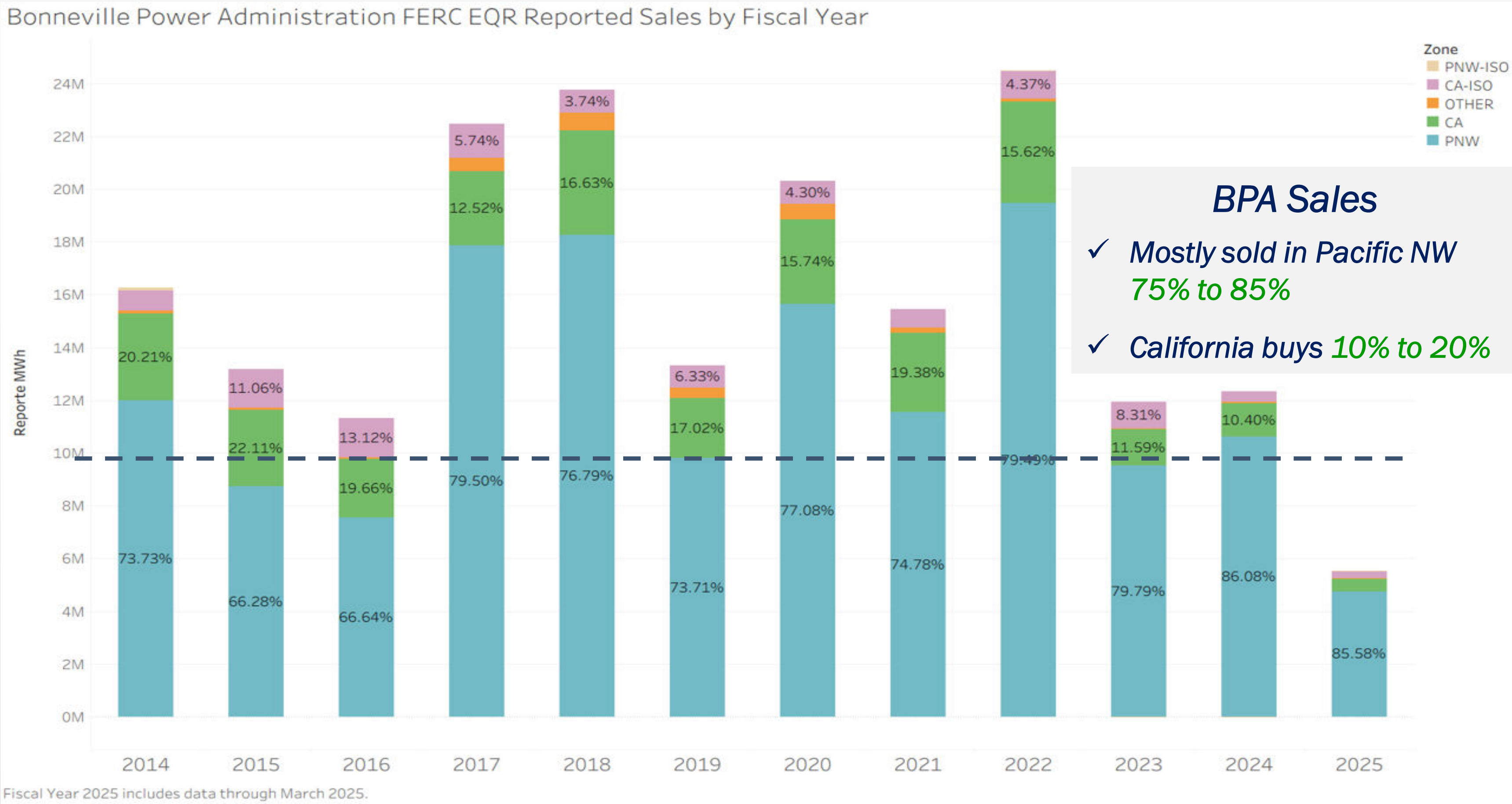
	Aug1	Aug16	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr1	Apr16	May	Jun	Jul
Firm Water (P10)	6,905	6,077	5,649	5,072	6,731	7,148	7,586	6,928	6,333	5,800	4,635	6,856	8,360	6,732
Median Water (P50)	7,727	6,835	6,121	5,357	7,284	8,416	9,840	8,830	8,904	8,395	7,748	8,484	10,931	9,220
High Water (P90)	10,620	9,522	6,620	6,070	9,601	9,962	13,355	13,732	13,291	11,224	10,652	11,567	13,185	12,956

1. *Lowest-cost firm Tier-1 Federal Hydropower is spoken for: < $40 per MWh (45% of BPUD Residential Electric Bill)*
2. *Surplus meets firm demand above Tier-1 (new demand < 10 aMW): $67 to $70 per MWh (+75% higher than Tier-1)*
3. *Electricity Intensive Demand > 10 aMW (NLSL): $92 to $144 per MWh based on month (130% to 260% higher than Tier-1)*

BPA Tier 2 Rates: +170% Increase Since 2019



BPA Hydro: Surplus Energy Sales Energy

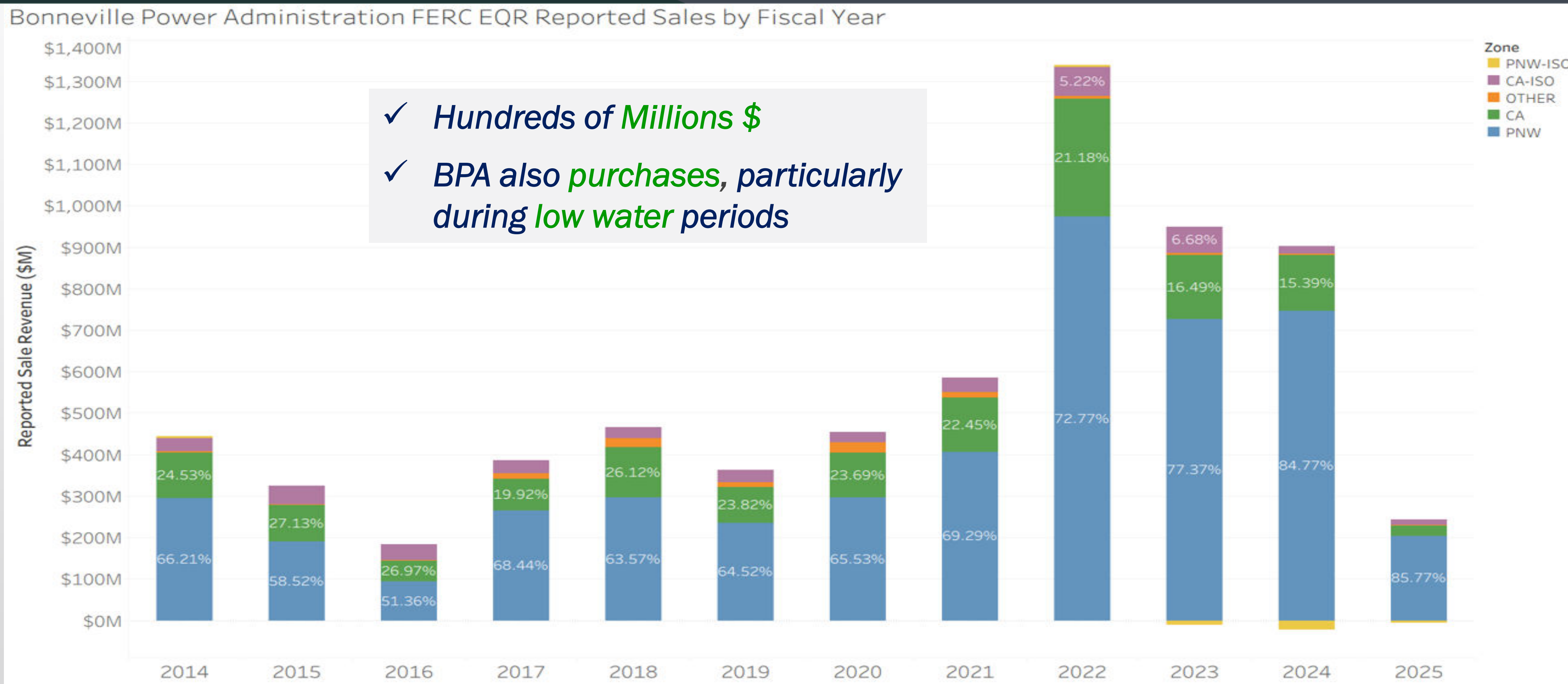


CGS Nuclear Plant Annual Energy
1,100 aMW

BPA Sales

- ✓ *Mostly sold in Pacific NW 75% to 85%*
- ✓ *California buys 10% to 20%*

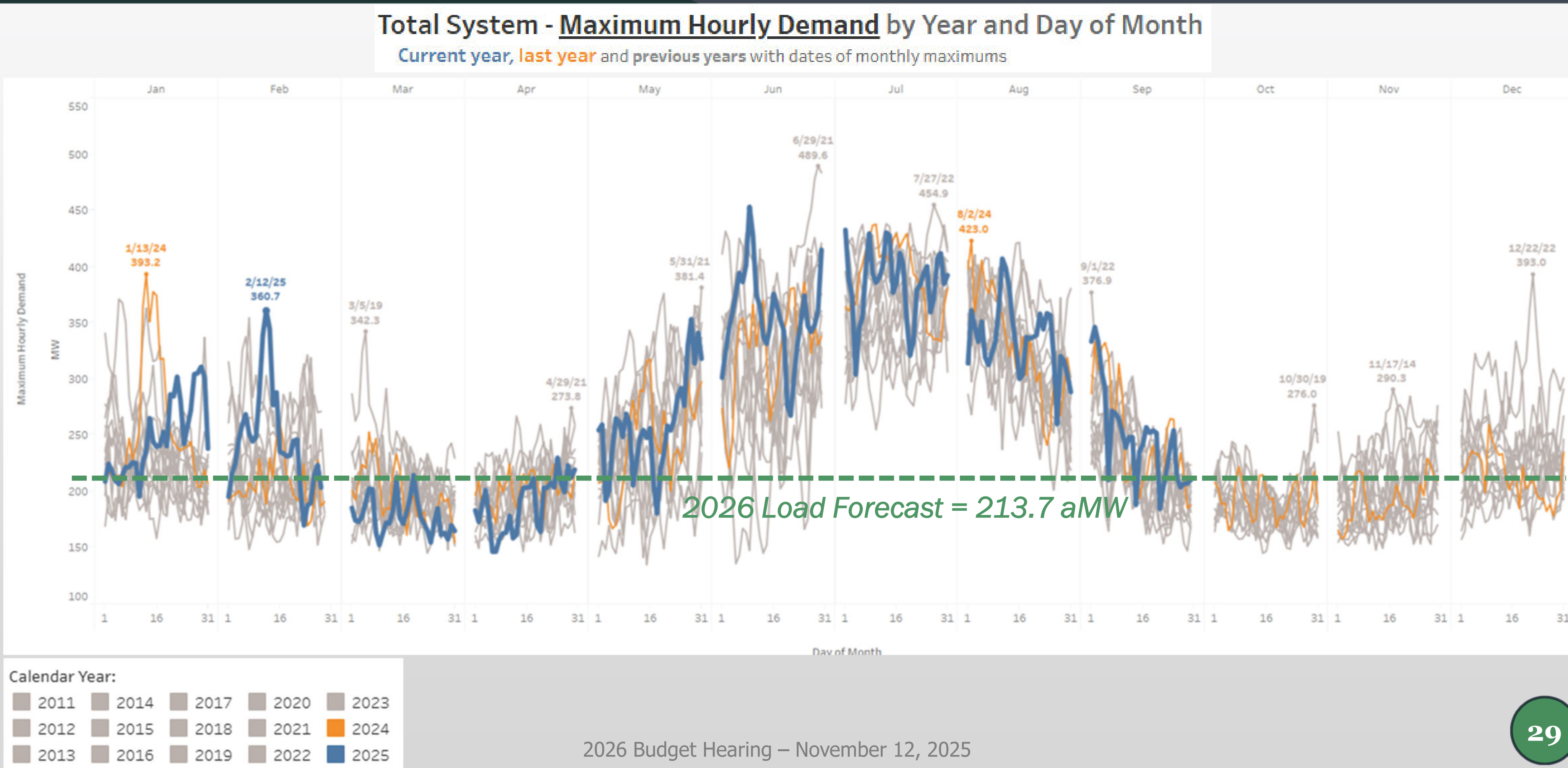
BPA Hydro: Surplus Energy Sales Revenue



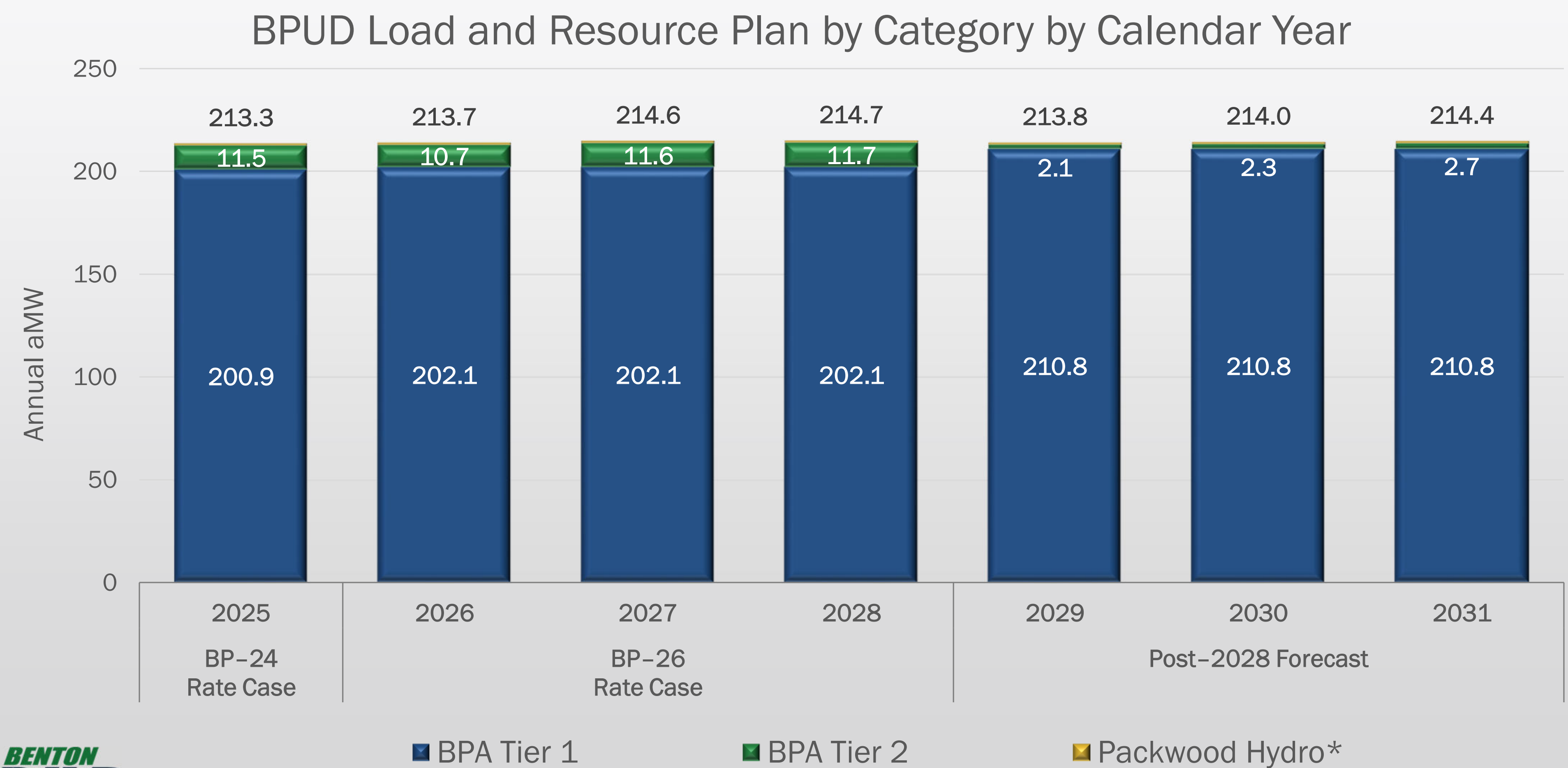
- ✓ *Hundreds of Millions $*
- ✓ *BPA also purchases, particularly during low water periods*

Fiscal Year 2025 includes data through March 2025.

Benton PUD Max. Hourly Demand & Average Load

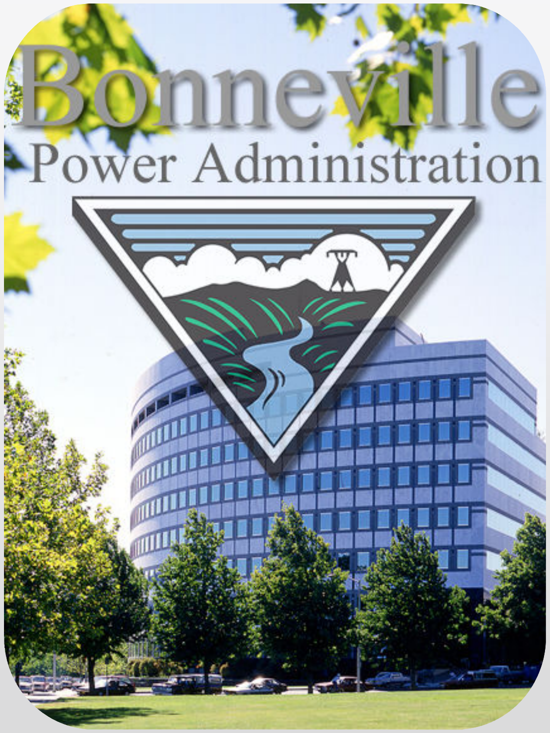


BPUD Loads and BPA Products under Load Following



*Packwood is a dedicated resource at .92 aMW

Cost Driver Review



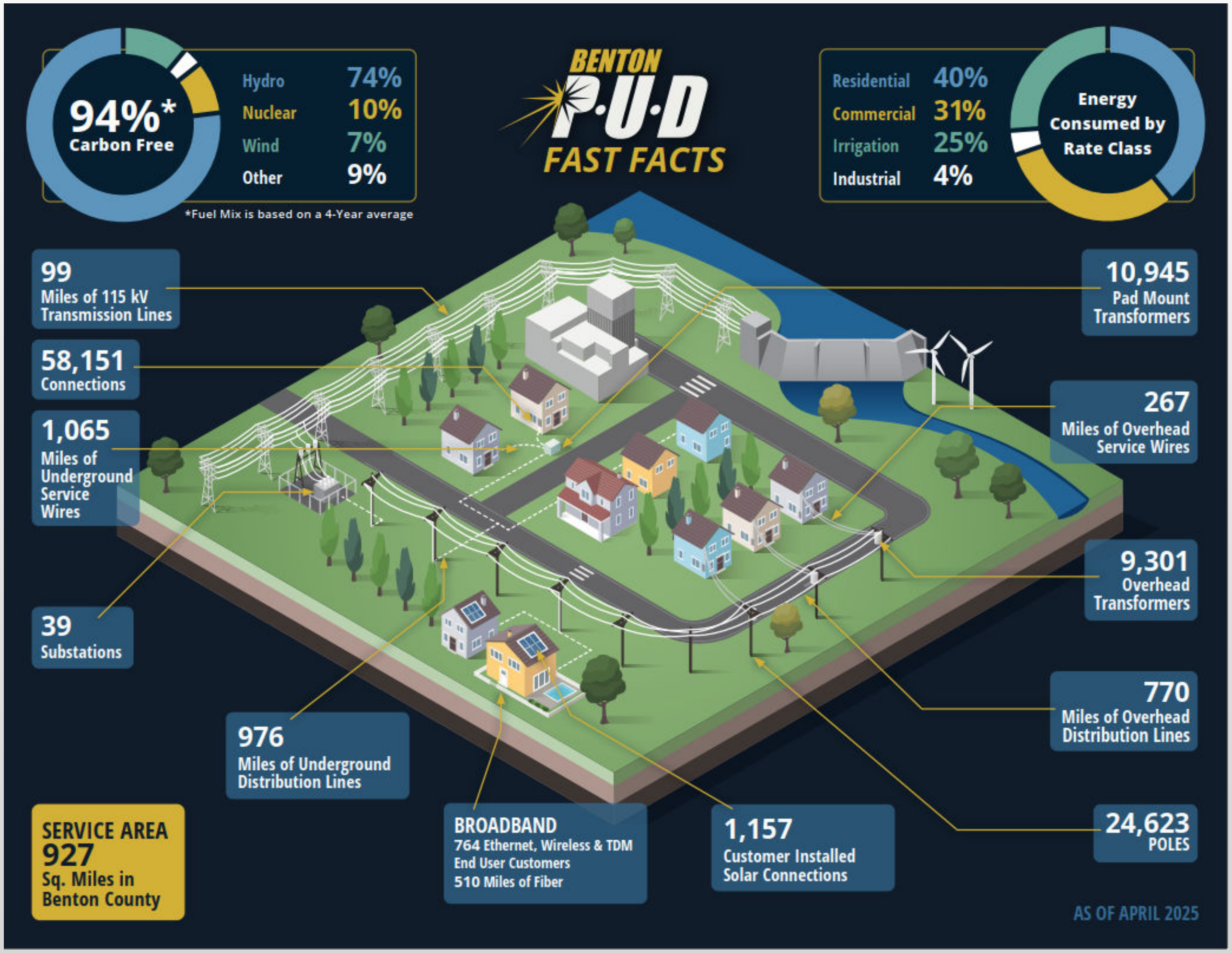
Power Costs

Supply Chain

Labor & Benefits

Extensive Infrastructure Driving Supply Chain Impact

Established in 1946



Supply Chain: Costs & Lead Times Way Up

2020: $578k	6 to 9 month lead time
2025: $1.3M to $2.2M	1.5 to 3.5 year lead time

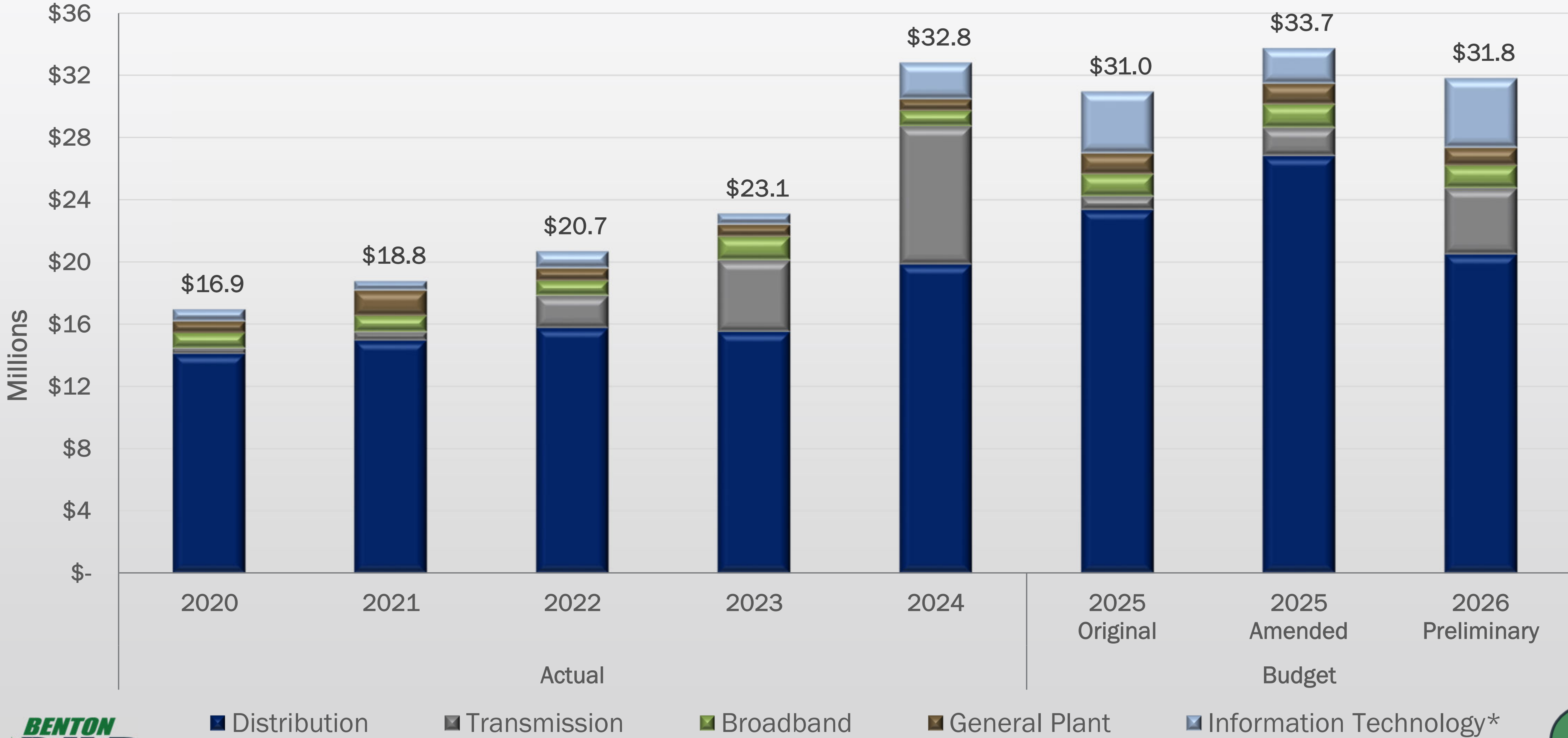
25-megawatt Substation Transformer

2020: $1,355	12 to 16 weeks lead time
2025: Up to $8,732	Up to 2-year lead time

25-kilowatt Residential Transformer

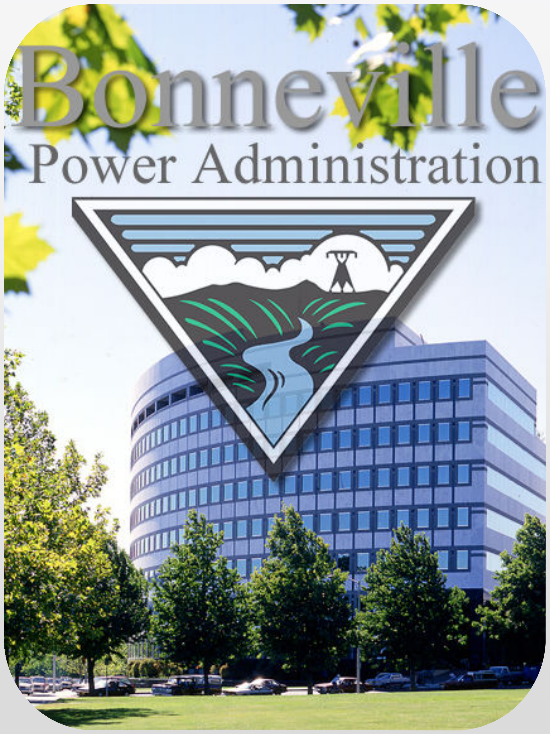
Source: Benton PUD contracts & purchasing department

2020 – 2026 Gross Capital Expenditures by Category



*Incudes Security

Cost Driver Review

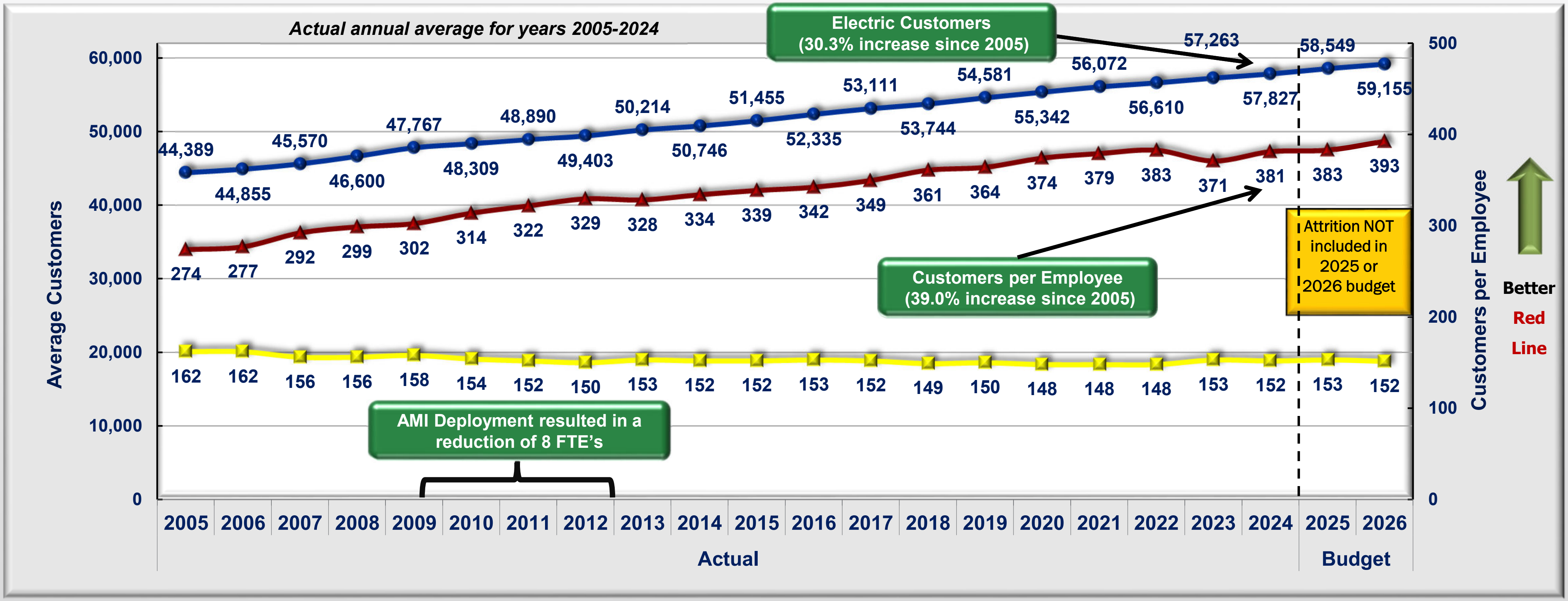


Power Costs

Supply Chain

Labor & Benefits

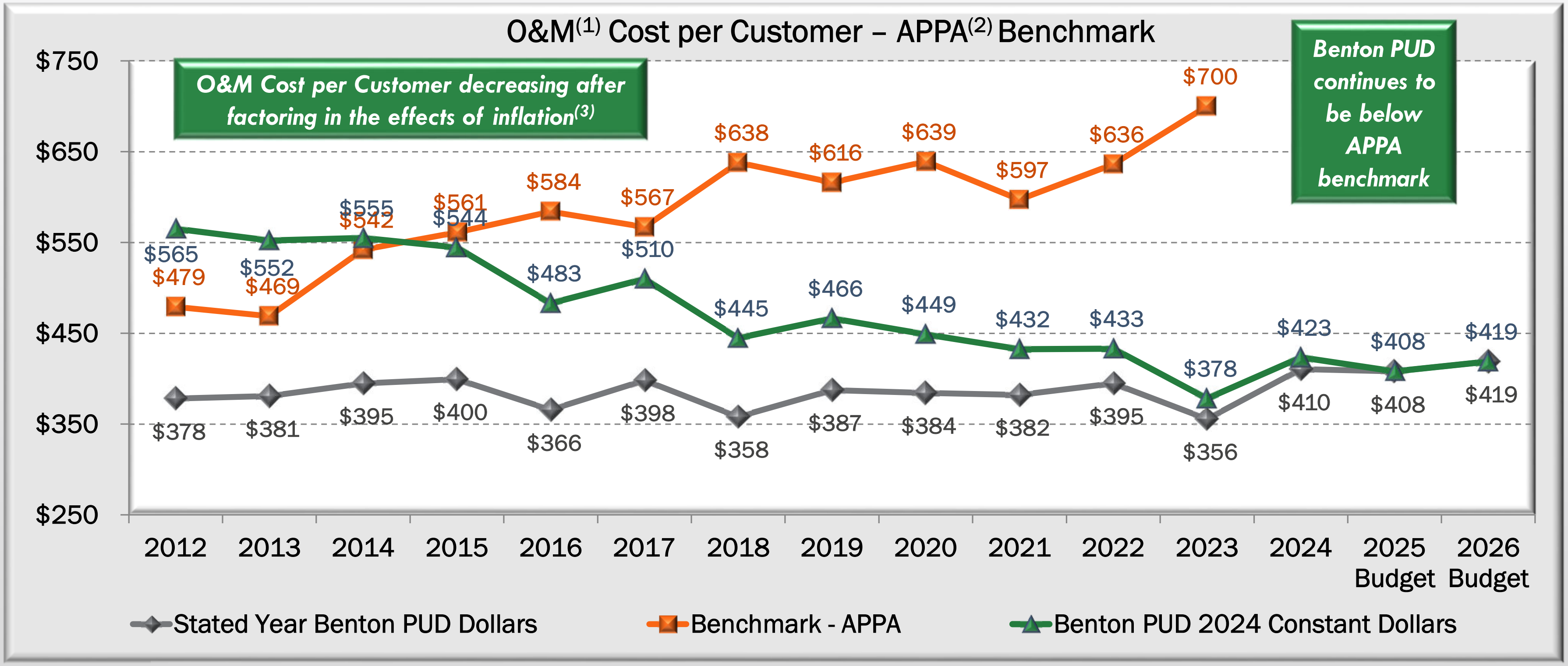
Customers per District Employee



Definition of Customer per American Public Power Association

Note: -Average customer figures have been restated to be consistent with method used by new enterprise system.
-FTE figures have been restated and now include a reduction for the FTEs shared and paid for by other utilities. Currently 0.5 FTEs are shared and paid for by other utilities.

Operations and Maintenance



(1) O&M = non-power operations & maintenance cost (distribution, transmission, customer accounts, and administrative and general). Excludes Broadband.
(2) American Public Power Association - 2023 median for West utilities.
(3) Inflation rate utilized comes from a producer price index for electric utilities, which on average has been slightly under 3%

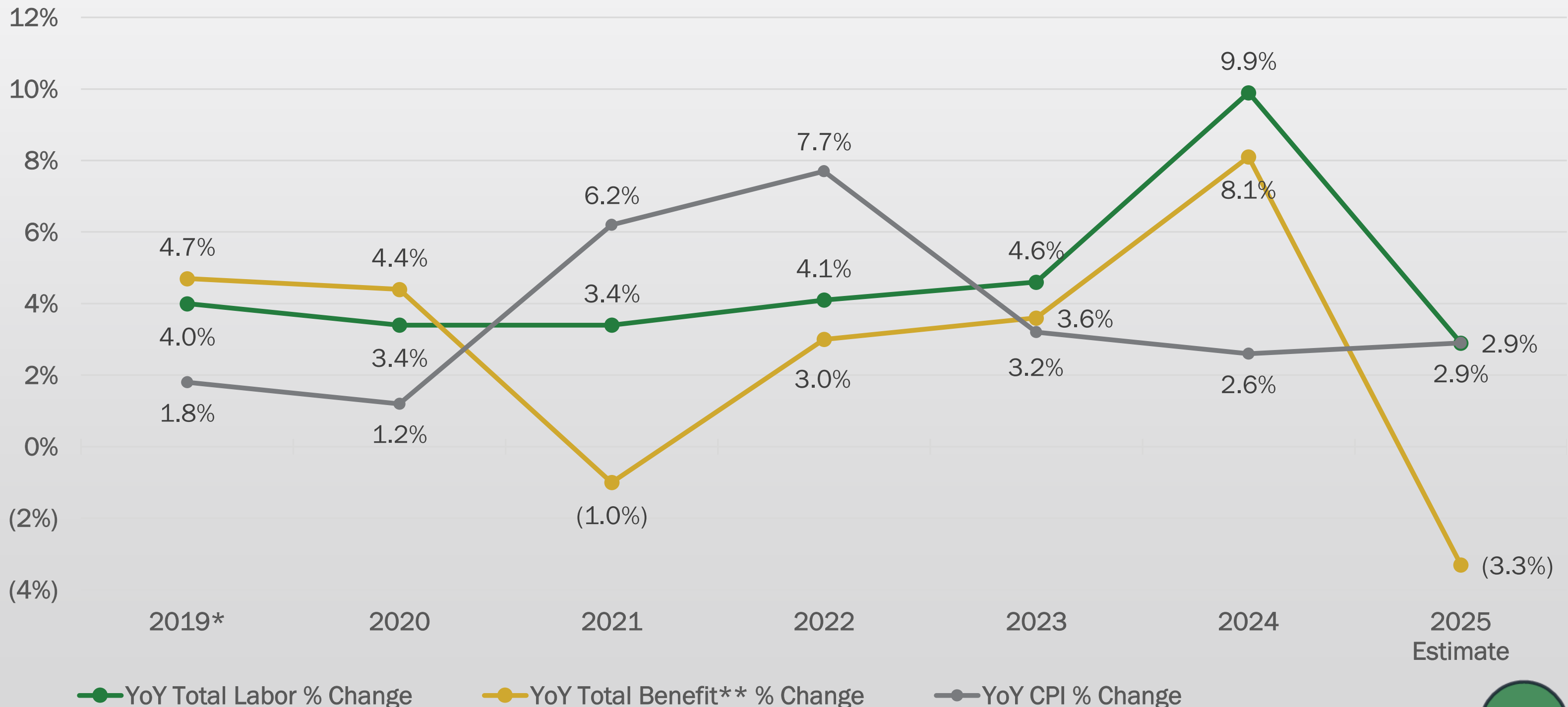
District Labor & Benefit Changes

(55% Bargaining (Union) Employees | 45% Non-Bargaining Employees)

2019 – 2024

Total Cumulative Labor Increase 28.0%

Total Cumulative Benefit Increase 19.2%



*Base year used to calculate cumulative Labor and Benefit percentage increase

**Benefits include Medical, Dental, Vision, Social Security, Medicare, State Industrial, Public Employee Retirement, Deferred Compensation, and other miscellaneous benefits

Increasing Value w/ Strategic partners

nisc

hub

sensus

PURMS

Welcome to the Public Utility Risk Management Services

UIP

Unified Insurance Program

Power Apps

tableau

BENTON P·U·D

RP3 Reliable Public Power Provider

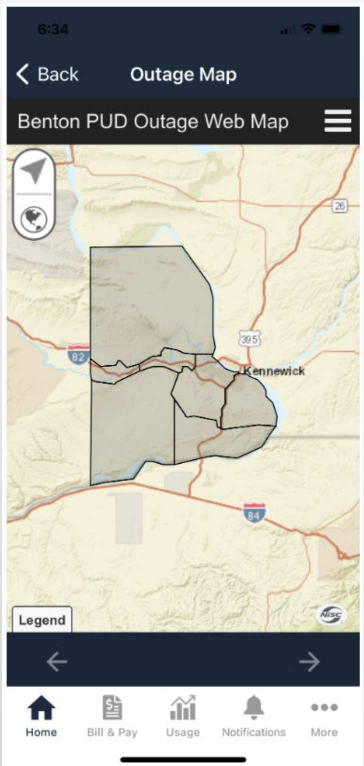
Smart Grid @ BPUD: Advanced Metering & Apps

- ✓ *Energy Use Data on Short Time Intervals*
- ✓ *Remote Service Connection & Disconnection*
- ✓ *On-Demand Reads*
- ✓ *Service Theft and Tamper Detection*
- ✓ *Power Quality Monitoring*
- ✓ *Outage Detection and Reporting*

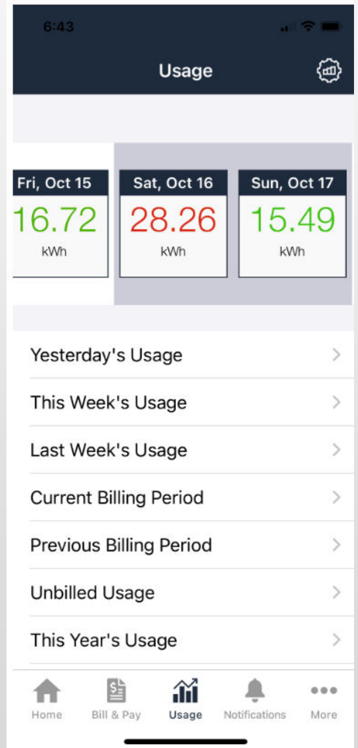
- ✓ *Enable Active Participation by Consumers*
- ✓ *Internet Access to Energy Use Data*

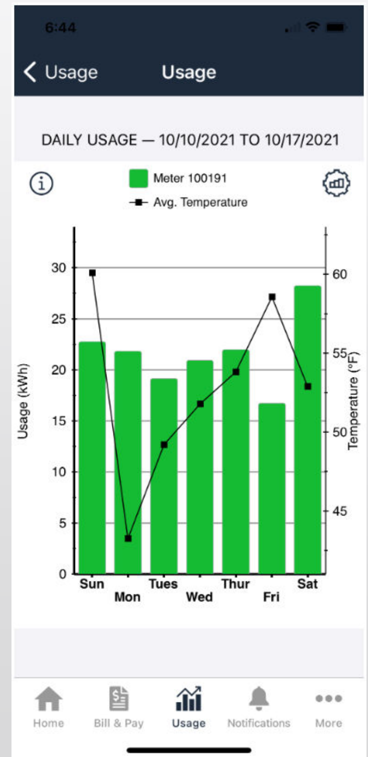
Smart Grid @ BPUD: Customer Interface

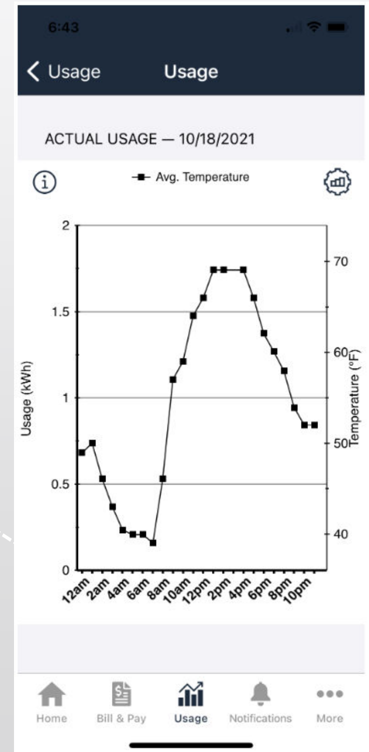
Outage Status



Customer Usage Profiles and Notifications







Smart Grid @ BPUD: AMI Meter Alerts

Meter Alerts by Service Address | Meter Alerts by Date Time

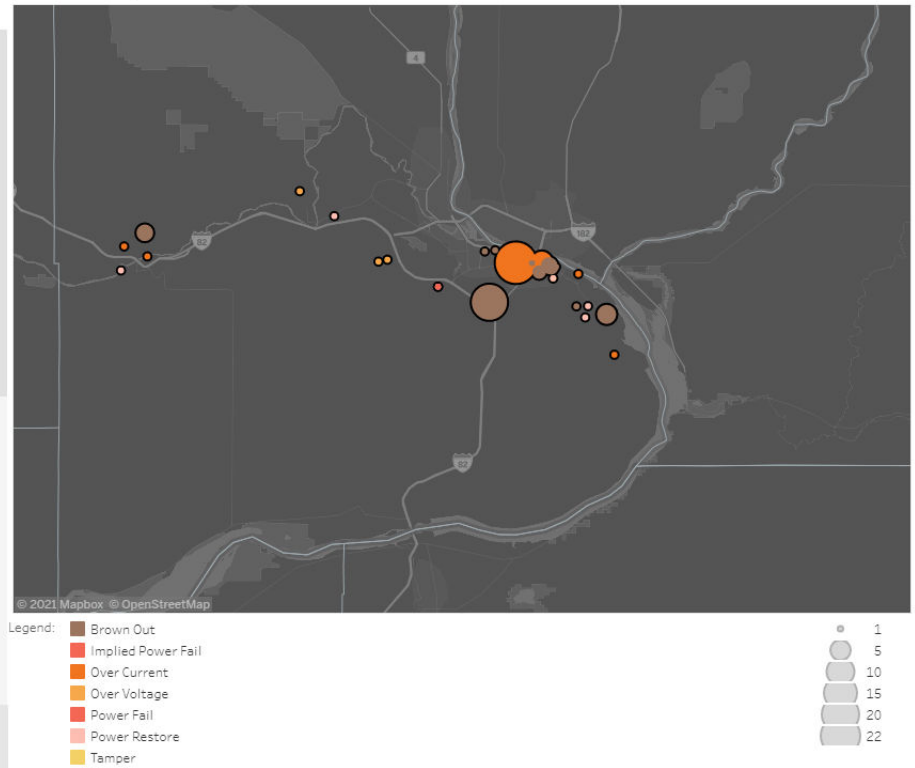
Meter Alerts
by Service Address

Date Range: Yesterday
From: Thu, 01/14/21 12:00:00 AM
To: Thu, 01/14/21 11:59:27 PM

Select: Color By: Alert Type | Alert Type: (Multiple val... | Alert Severity: (All) | Meter Form: (All) | Type & Form: (All) | Meter Status: (All) | Service Address: (All) | Meter #: (All)

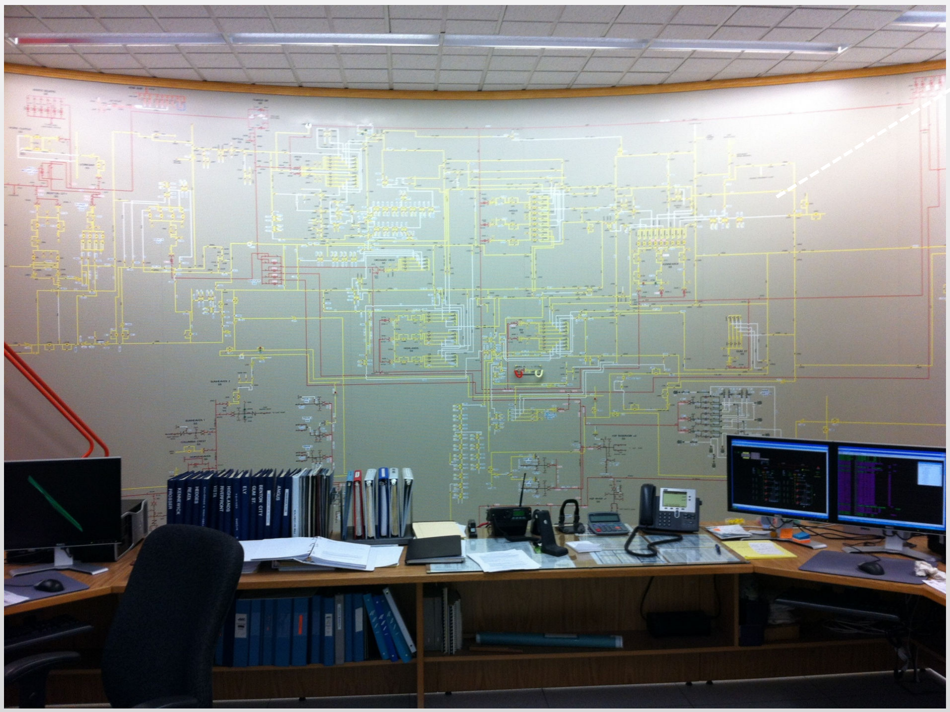
Service Address	Form	Meter #	Alert Type	Count
	16S	231872	Over Current	22
	2S	173588	Power Restore	2
			Tamper	1
			Implied Power Fail	1
		172941	Tamper	2
			Power Restore	1
			Power Fail	1
		173396	Tamper	1
	16S	232934	Brown Out	5
			Power Restore	1
			Power Fail	1
	2S	101675	Brown Out	3
			Tamper	1
			Power Restore	1
			Power Fail	1
	16S	233051	Brown Out	5
			Power Restore	1
	16S	233052	Brown Out	6
	16S	233045	Brown Out	5
			Power Restore	1
	2S	156986	Over Current	5
	2S	147597	Brown Out	4
	2S	153472	Brown Out	3
	9S	251153	Over Voltage	2
			Over Current	1
	35S	250737	Brown Out	2
	9S	251629	Brown Out	2
	2S	173608	Power Restore	1
			Implied Power Fail	1
	2S	104500	Power Restore	1
			Power Fail	1

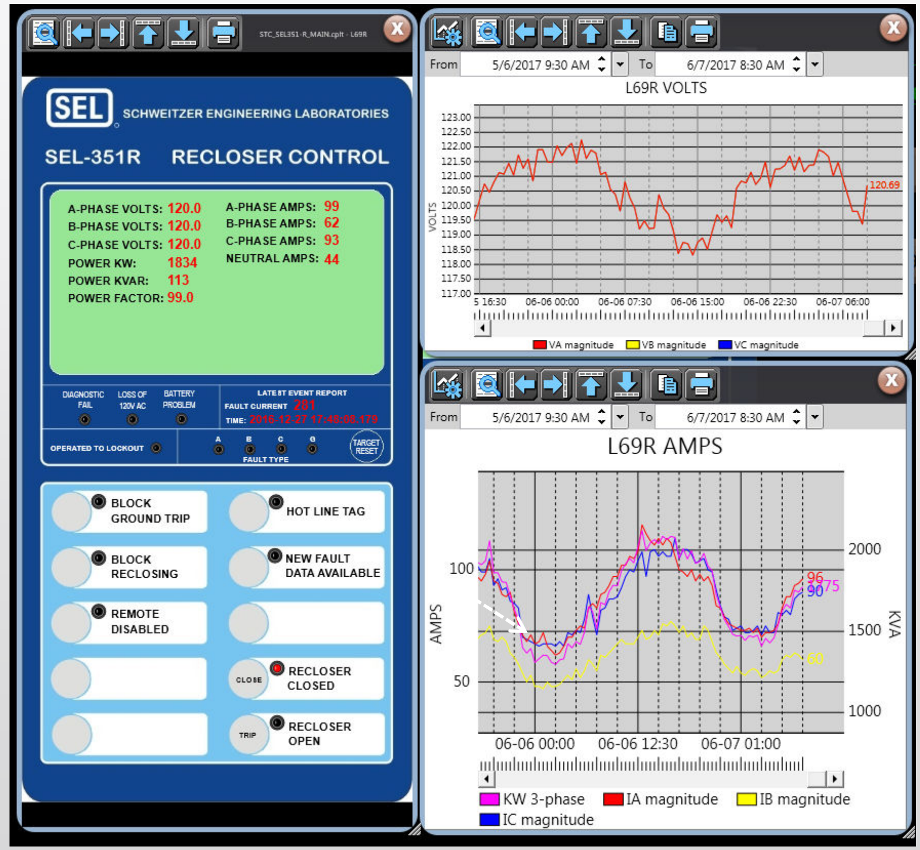
	Meters	Alerts
Total	41	113



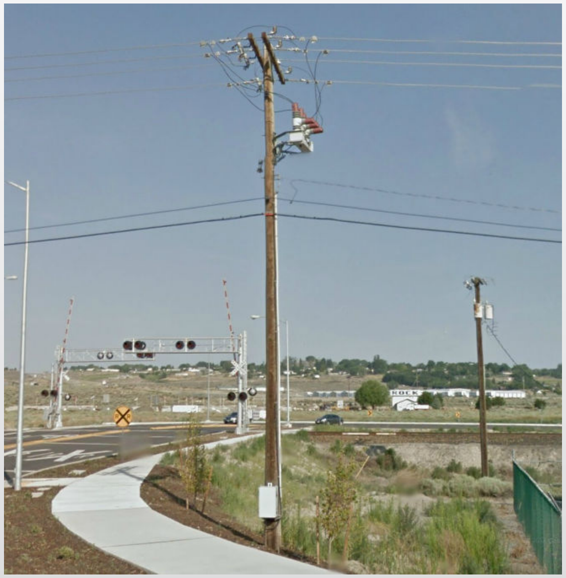
SMART GRID @ BPUD: SCADA

Increased Distribution "Visibility"





SMART GRID @ BPUD: SCADA EXPANSION



Reclosers (Circuit Breakers)

Voltage Regulators

October 2025 Forecast Update

~$70/MWh Tier 2 Power BP-26, 2025 Budget Amendment, & 2026 Prelim Budget

BPA Assumptions:
BP-26: 9% Power & 20% Transmission
BP-29: 7% Power & Transmission

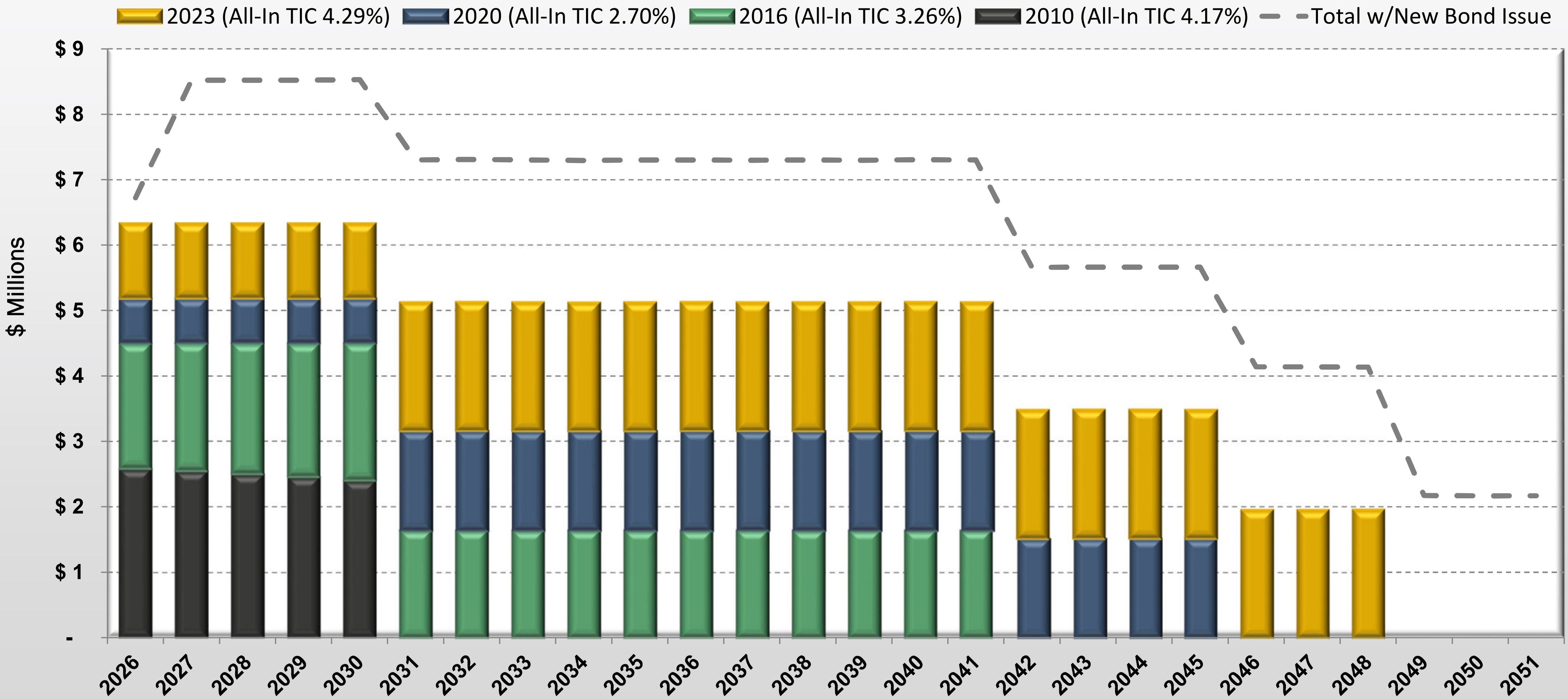
Description		2024 Actual	2025	2026	2027	2028	2029
Oct 2025	Projected Rate Increase	-	Apr 1 5.0%	Apr 1 2.0%	Apr 1 2.5%	Apr 1 2.5%	Apr 1 2.5%
	Unrestricted DCOH	153	120	116	151	140	128
	Construction Account DCOH	-	-	59	-	-	-
	Net Income	$12.9M	$12.9M	$10.2M	$7.4M	$10.2N	$10.9M
	Total Unrestricted Reserves	$54.2M	$43.1M	$42.4M	$56.9M	$53.3M	$50.0M
	Construction Account Reserves	-	-	$22.2M	-	-	-
	Debt to Capitalization (38% Max)	28%	26%	32%	30%	28%	27%

14.5%
cumulative rate increase

$32M Bond issue in 2026

Debt Service Schedule

2026 Bond Issue ($32M New Money and Refunding the 2016 Bonds)



BENTON PUD LOW INCOME PROGRAMS

- **Low Income Discount**
  - ~ **$625 thousand** per year
  - Assisted:
    - **~1,900** customers **per month** (2021 – 2024)
  - Discounts: **10%–25%** of monthly bill
    - Greater of daily system charge or percentage of billed charges
  - Available to:
    - Seniors, disabled individuals, and veterans

- **Low Income Energy Efficiency**
  - ~ **$615 thousand** in 2024
  - Assisted:
    - **~70** households
  - Administered by:
    - Benton PUD & Community Actions Committee (CAC)

- **Helping Hands**
  - ~ **$90 thousand** in 2024
  - Assisted:
    - **~300** households
  - Funded by:
    - Customer donations

QUESTIONS?

(Short Break)

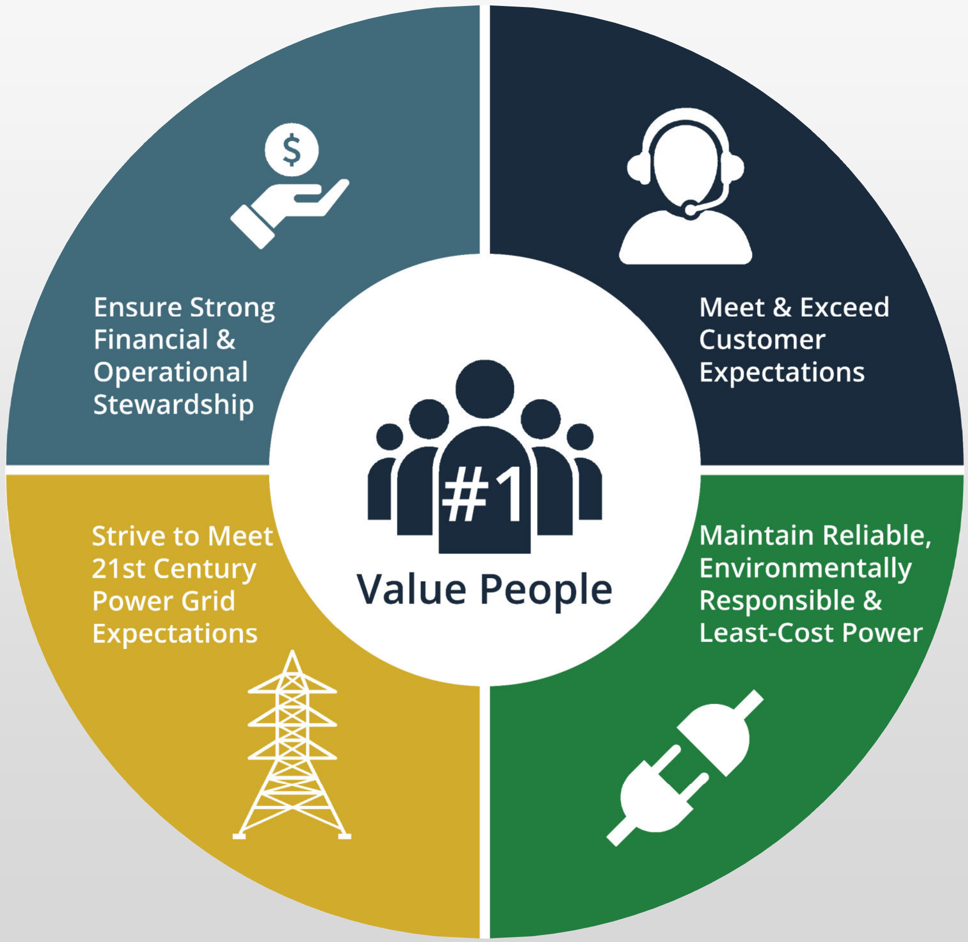
Budget Presentation Agenda

1. Budget Overview – **Rick Dunn**
2. Budget Summary – **Jon Meyer**
3. Revenues [excluding secondary (power) market sales] – **Jon Meyer**
4. Net Power Expenses [including secondary (power) market sales] – **Chris Johnson**
5. Capital Plan – **Rick Dunn/Chris Folta**
6. Debt Service –**Keith Mercer**
7. Non-Power O&M Costs – **Rick Dunn**
8. Summary & Next Steps
9. Final Commissioner Questions/Comments
10. Final Public Questions/Comments

2026 Preliminary Budget

- 2026 Preliminary Budget is a Draft
  - Ongoing review of assumptions for all budget categories
  - Includes a proposed overall 2% retail rate increase effective April 1, 2026
  - Final budget recommendation on December 9th
- Final Budget will Reflect:
  - Public comment
  - Commission direction

STRATEGIC GOALS & KEY DRIVERS OF ACTIONS (EXPENSES)



BUDGET SUMMARY (JON MEYER)

2026 Preliminary Budget vs. 2025 Original Budget

Five Budget Categories

Dollars in thousands	2026 Budget	2025 Original Budget	Increase/ (Decrease)	% Change
Revenues (excluding Secondary Market Sales)	**$153,816**	**$151,031**	**$2,785**	**1.8%**
Expenses (including Secondary Market Sales)				
Purchased Power	73,496	73,123	373	0.5%
Purchased Transmission & Ancillary Services	13,623	12,523	1,100	8.8%
Net Conservation	318	294	24	8.2%
Less: Secondary Market Sales	2,073	4,728	(2,655)	(56.2%)
Net Power Expenses	**$85,364**	**$81,212**	**$4,152**	**5.1%**
Transmission Operation & Maintenance	114	134	(20)	(14.9%)
Distribution Operation & Maintenance	15,888	15,968	(80)	(0.5%)
Broadband Expense	1,310	1,247	63	5.1%
Customer Accounting	4,999	5,128	(129)	(2.5%)
Administrative & General	9,713	9,595	118	1.2%
Subtotal before Taxes & Depreciation	**$32,024**	**$32,072**	**($48)**	**(0.1%)**
Taxes	15,788	15,490	298	1.9%
Depreciation/Amortization	13,138	12,653	485	3.8%
Non-Power Operating Expenses	**$60,950**	**$60,215**	**$735**	**1.2%**
Gross Capital	31,814	30,953	861	2.8%
Less: Capital Contributions	6,561	4,033	2,528	62.7%
Net Capital Additions	**$25,253**	**$26,920**	**($1,667)**	**(6.2%)**
Debt Service (including BABs Subsidy)	**5,574**	**$6,166**	**($592)**	**(9.6%)**

REVENUES (JON MEYER)
(EXCLUDING SECONDARY MARKET SALES)

Key takeaways:
- Budgeting a proposed 2% overall retail revenue increase
- Retail rates remain below the median

REVENUES (EXCLUDING SECONDARY MARKET SALES)

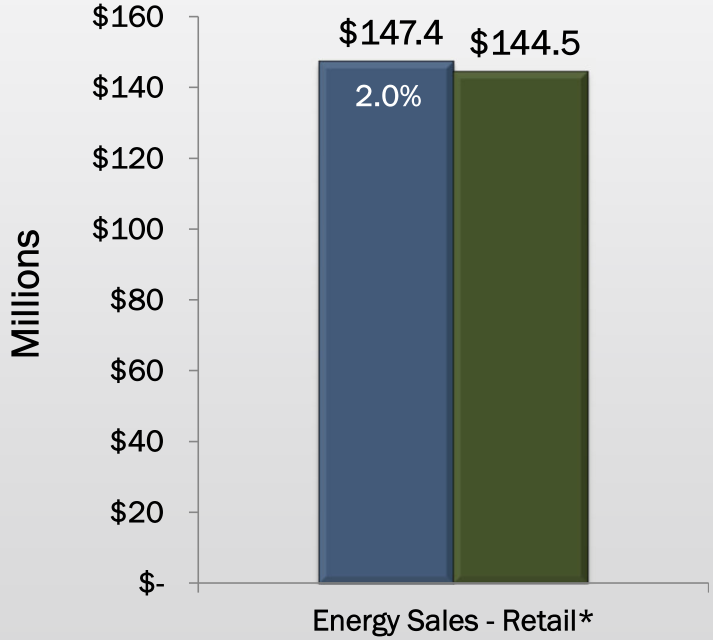
2026 Preliminary Budget
Total Revenue (excluding secondary market sales)
$153.8 million

- Includes a proposed 2% retail revenue increase effective April 1, 2026
- Assumptions from the 2025-2035 Ten-Year Load and Customer Forecast

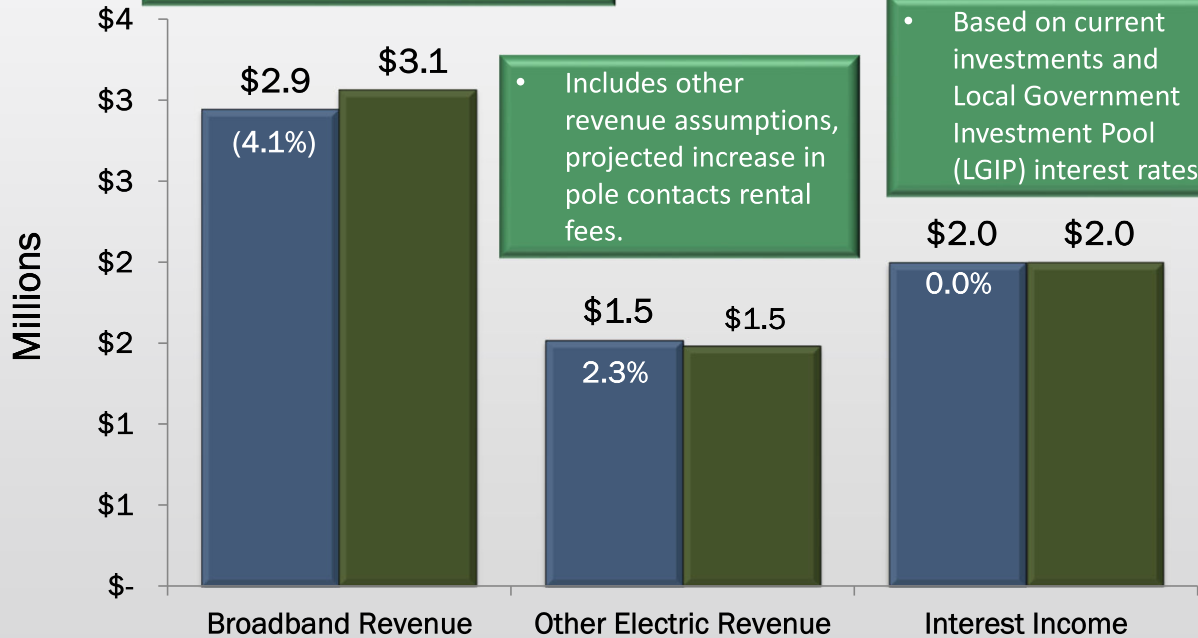
- Includes current Broadband revenue assumptions and projected decrease in revenue from ethernet services

- Includes other revenue assumptions, projected increase in pole contacts rental fees.

- Based on current investments and Local Government Investment Pool (LGIP) interest rates



*Includes City Occupation Tax and Bad Debt Expense



2026 Preliminary Budget
2025 Original Budget

REVENUES

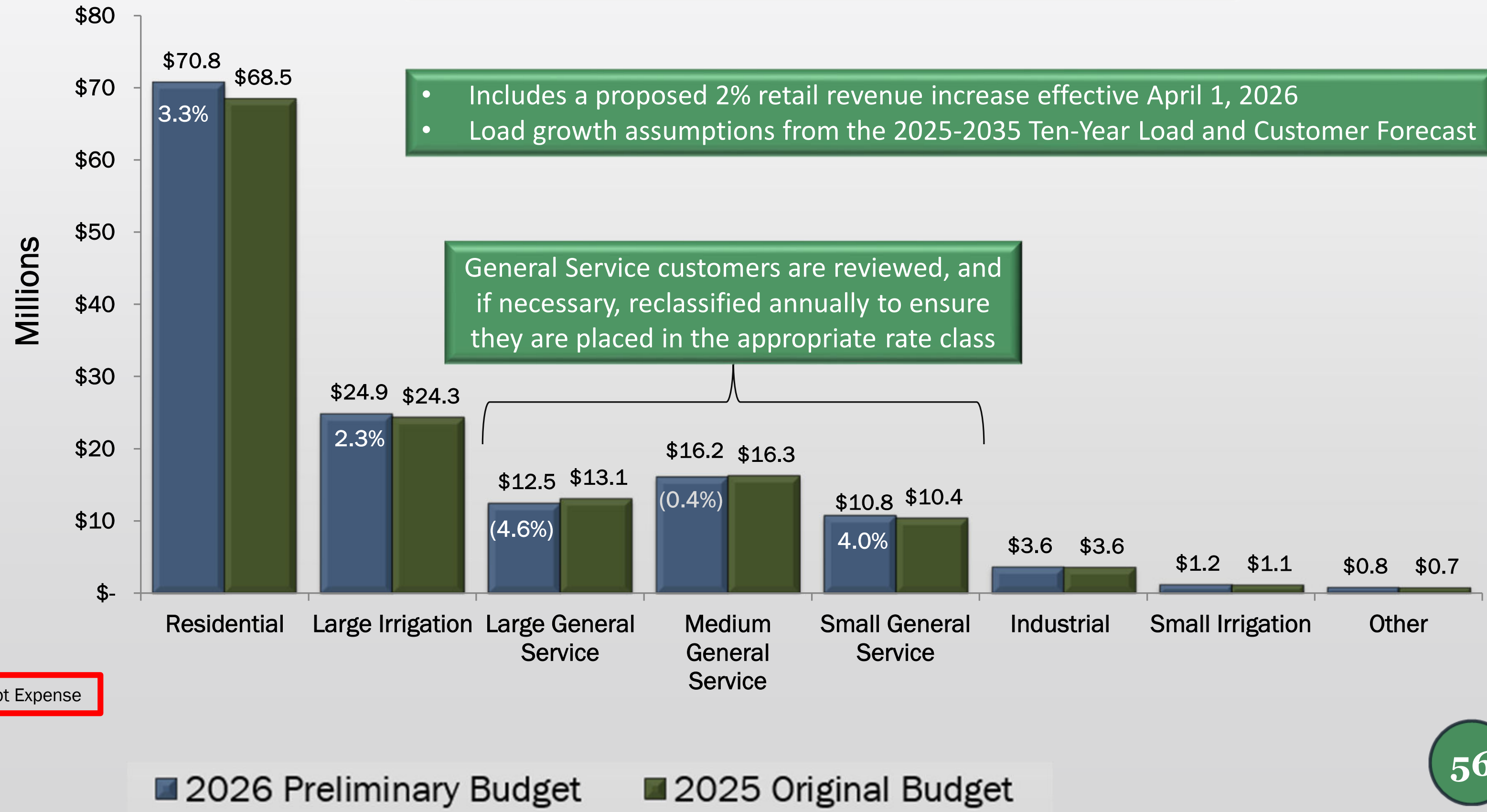
(ENERGY SALES – RETAIL CUSTOMER RATE CLASSES ONLY, EXCLUDES CITY OCCUPATION TAX & BAD DEBT EXPENSE)

2026 Preliminary Budget
Total Energy Sales – Retail Customer Rate Classes Only
$140.7 million

- Includes a proposed 2% retail revenue increase effective April 1, 2026
- Load growth assumptions from the 2025-2035 Ten-Year Load and Customer Forecast

General Service customers are reviewed, and if necessary, reclassified annually to ensure they are placed in the appropriate rate class

*Excludes City Occupation Tax and Bad Debt Expense

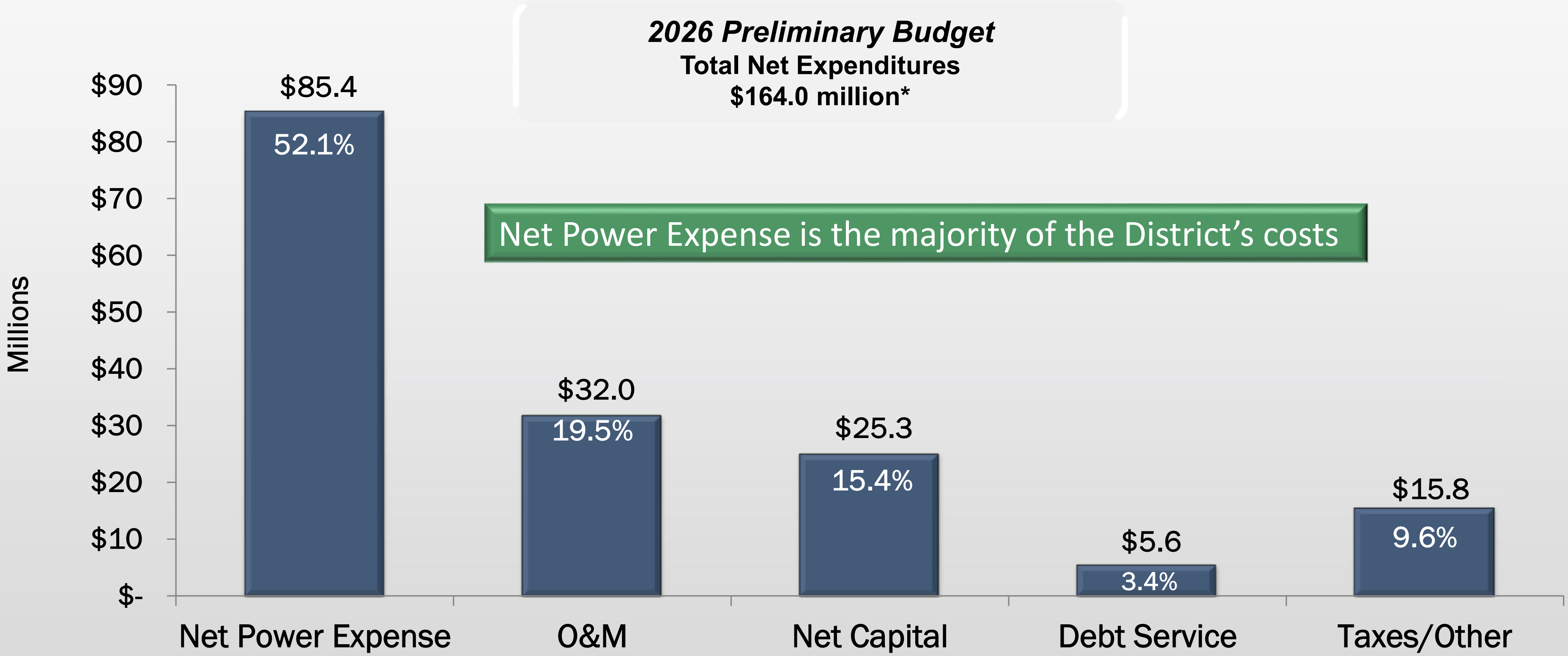


Net Power Expenses (Chris Johnson) (Including Secondary Market Sales)

Key takeaways:

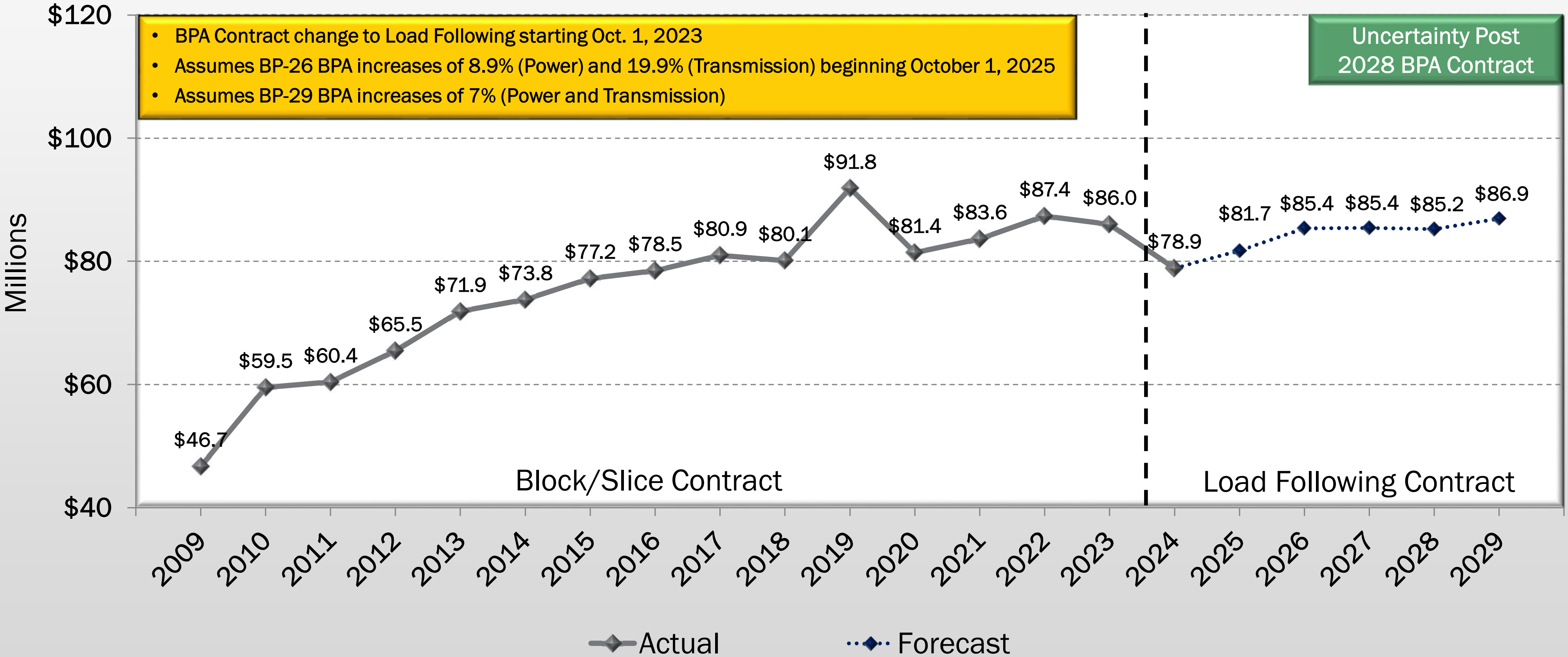
- BPA rate increase estimates (8.9% Power & 19.9% Transmission)

EXPENSES AND EXPENDITURES



***** Net of secondary market sales of $2.0 million, capital contributions of $6.6 million, and Build America Bonds subsidy of $0.3 million***

NET POWER COSTS*

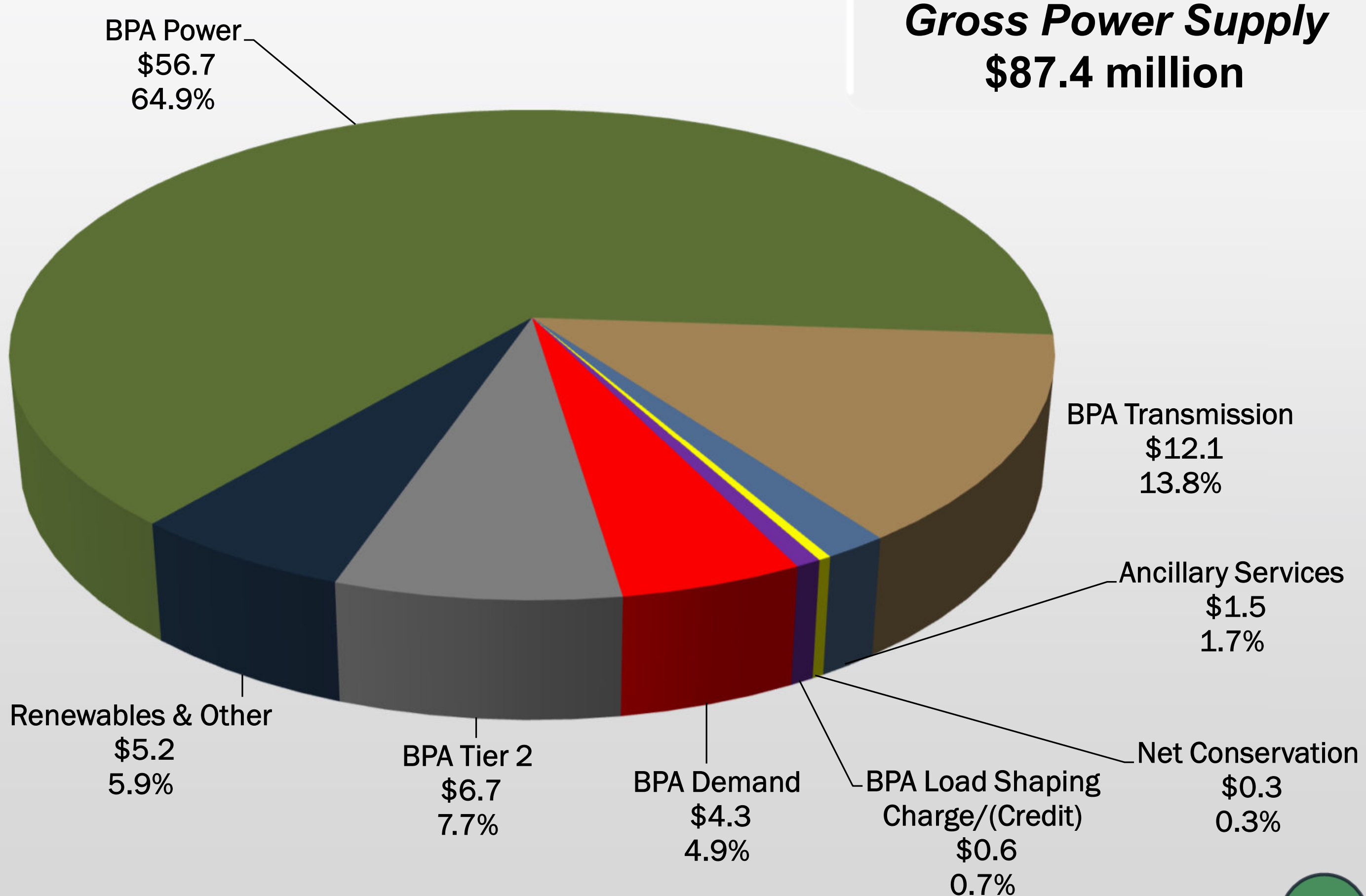


* *Net power costs (NPC) = gross power costs (including power and transmission) less sales for resale.*

2026 Gross Power Supply Cost by Source

Description	Amount *Dollars in millions*
BPA Power	$56.7
BPA Tier 2	6.7
BPA Demand	4.3
BPA Load Shaping Charge/(Credit)	0.6
BPA Reserve Distribution Clause	0.0
BPA Transmission	12.1
Renewables & Other	5.2
Ancillary	1.5
Net Conservation	0.3
Gross Power Supply	$87.4
Less: Secondary Market Sales	(1.9)
Less: Transmission Sales	(0.2)
Net Power Expense	$85.4

Gross Power Supply
$87.4 million



BPA Potential Adjustments/Surcharges

No adjustments or surcharges are currently assumed for 2026

BONNEVILLE POWER ADMINISTRATION

BP-26 Rate Proceeding

2026 Power Rate Schedules
and General Rate Schedule Provisions
(FY 2026-2028)

Q. Power Financial Reserves Policy Surcharge (Power FRP Surcharge)

The Power FRP Surcharge is an upward adjustment to certain rates that apply to the following products under the PF-26 Rate Schedule: Load Following, Block, and the Block portion of Slice/Block. The Power FRP Surcharge also applies to power purchased at the PF Melded Rate (PF-26), Industrial Firm Power Rate (IP-26), and New Resource Firm Power Rate (NR-26).

1. Power CRAC Amount

At the beginning of each fiscal year of the Rate Period (that is, each "applicable year"), BPA will calculate financial reserves available for risk that are attributed to Power Services (Power RFR) as of the end of the fiscal year preceding the applicable year. Based on the calculations below, a Power CRAC may trigger, resulting in a rate increase that will go into effect for the period of December 1 through September 30 of the applicable year.

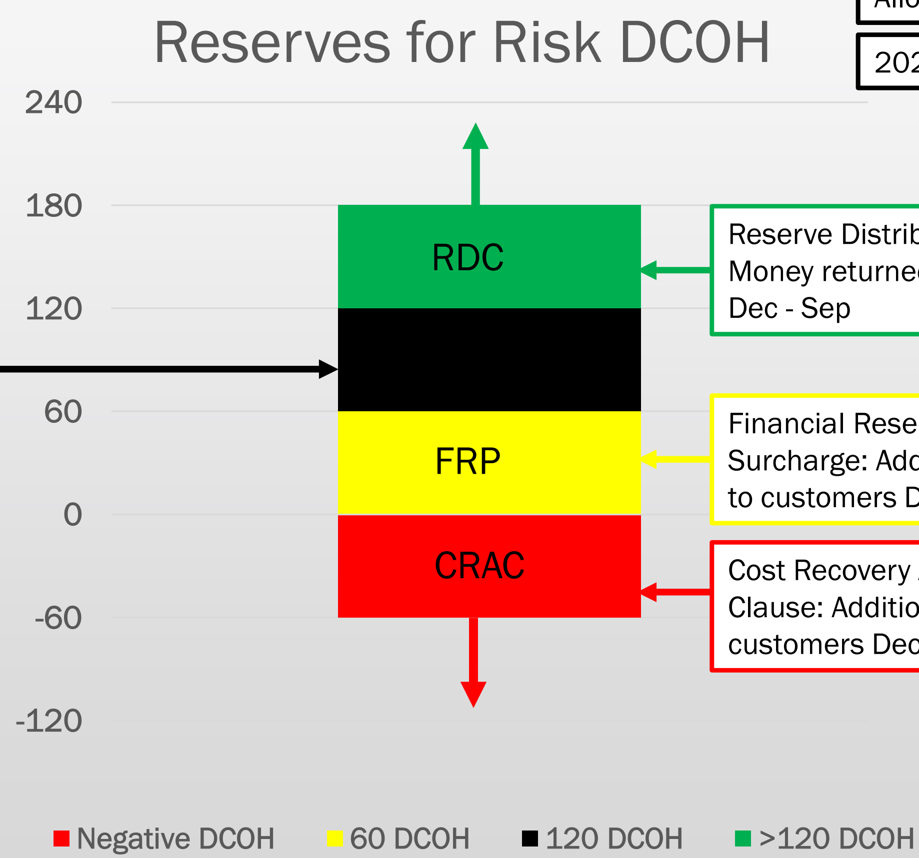
1. Power RDC Amount

At the beginning of each fiscal year of the Rate Period (that is, each "applicable year"), BPA will calculate financial reserves available for risk that are attributed to Power Services (Power RFR) and financial reserves available for risk that are attributed to BPA (BPA RFR) as of the fiscal year preceding the applicable year. If Power RFR is greater than the Power RDC Threshold for that applicable year by at least $5 million, and BPA RFR is greater than the BPA RDC Threshold for that applicable year by at least $5 million, the Administrator will determine a Power RDC Amount. If the Administrator determines that all or part of the Power RDC Amount will be applied to a Power DD, the resulting rate decrease will go into effect beginning the month following the issuance of the Power RDC decision through September 30 of the applicable year.

BPA Surcharges to Protect Reserves

Reserves for Risk: BPA Term representing unobligated reserves

BPA Financial Policy: Minimum 60 DCOH, Upper Threshold 120 DCOH



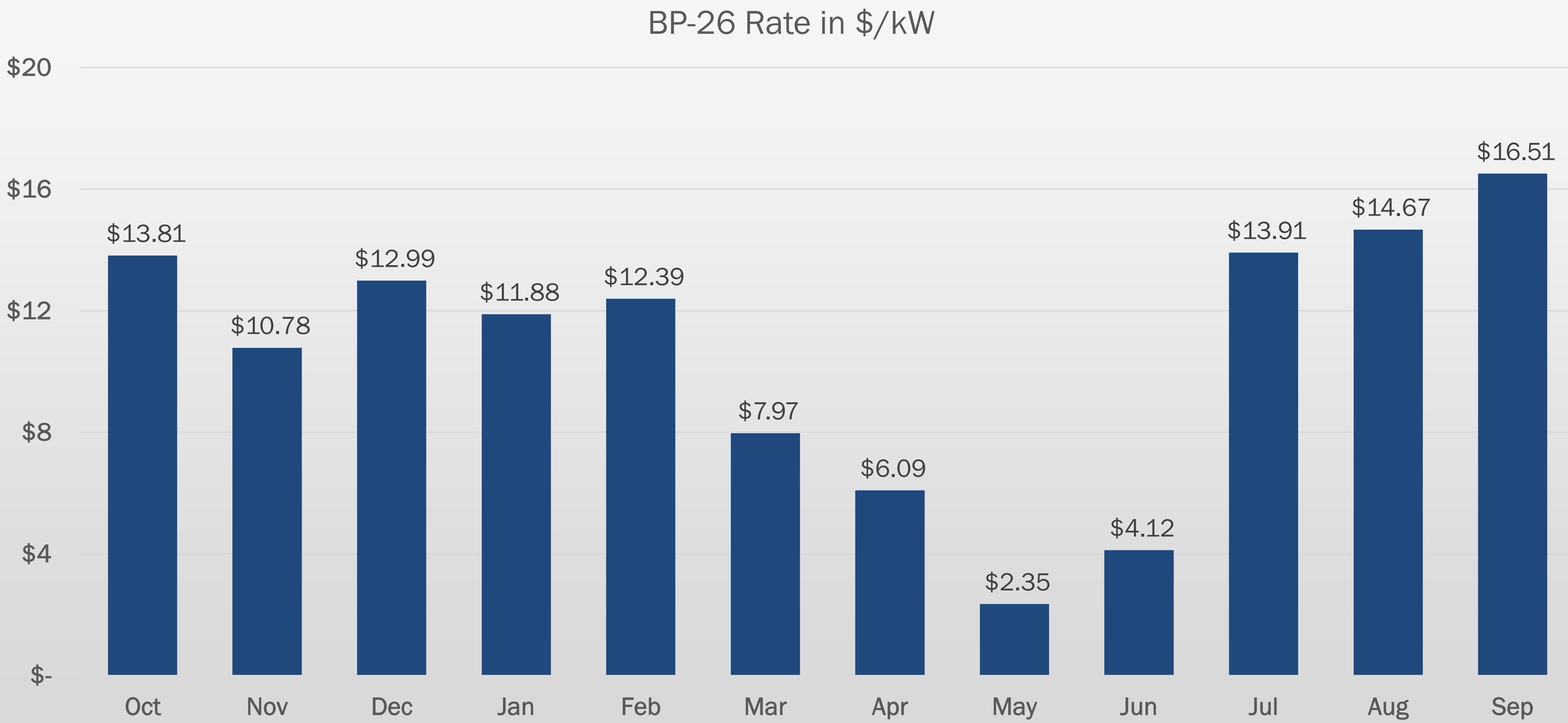
Allocation Factor: Utility share of PF System Shaped Loads (Non Slice)

2024 RDC Example: BPUD 201.5 aMW, or 3.8% of 5,326 aMW total

	BPA Annual Cap		Benton PUD Annual Exposure
Reserve Distribution Clause: Money returned to Customers Dec - Sep	Based on Rate Case		
Financial Reserves Policy Surcharge: Additional charges to customers Dec - Sep	$40M	X3.8%	$1.5M
Cost Recovery Adjustment Clause: Additional charges to customers Dec - Sep	$300M	X3.8%	$11.5M
		Total Exposure	$13.0M

BPA Demand Rates

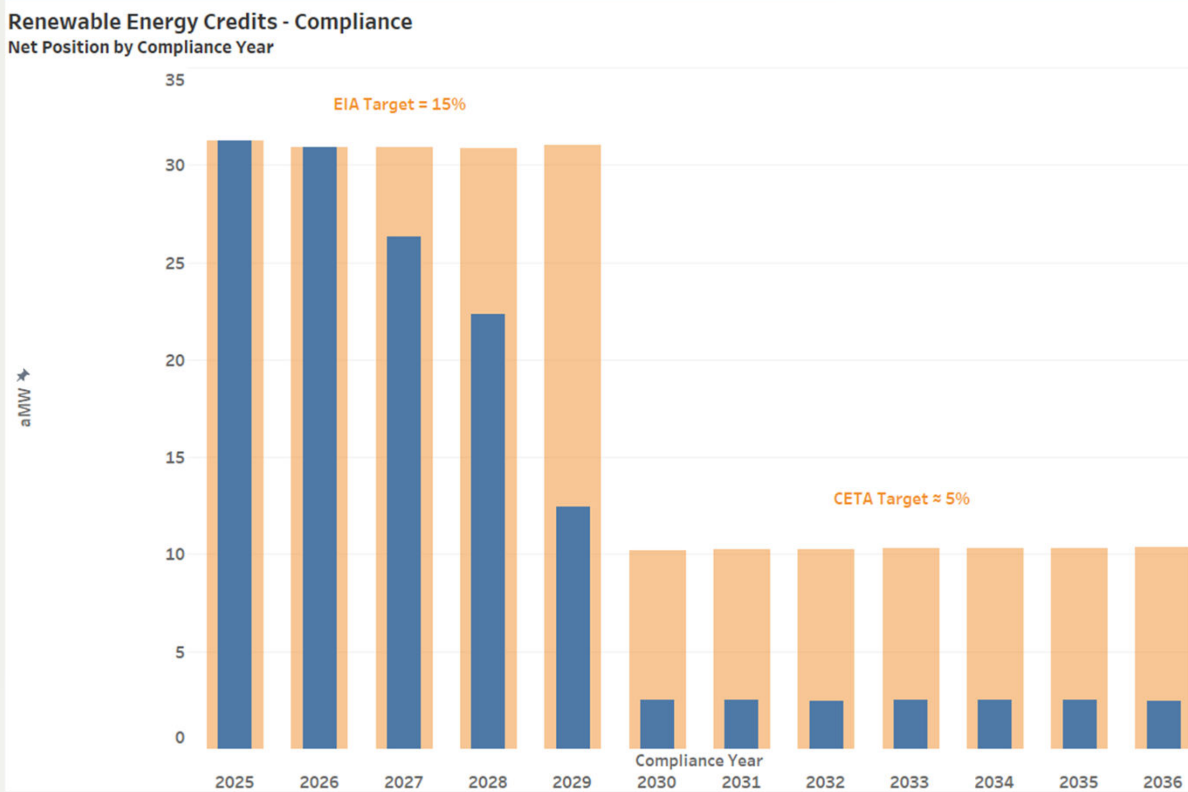
Vary by month and rate period



GHG Neutral Standard

Primary + Alternative = 100%

- **Primary Compliance**
  - At least 80% clean by 2030
- **Alternative Compliance**
  - **From 2030-2044**, may satisfy up to 20% with **alternative compliance**
  - **CEIP** must identify planned use of these **alternatives**:
    1. Pay the Penalty Amount
    2. Energy Transformation Projects
    3. Municipal Solid Waste
    4. Renewable Energy Credits (REC)
       - **Already** procuring for Energy Independence Act (EIA) compliance
       - **CETA reduces EIA from** 15% to 5%
- **CEIP Actions?** No incremental resource actions are planned

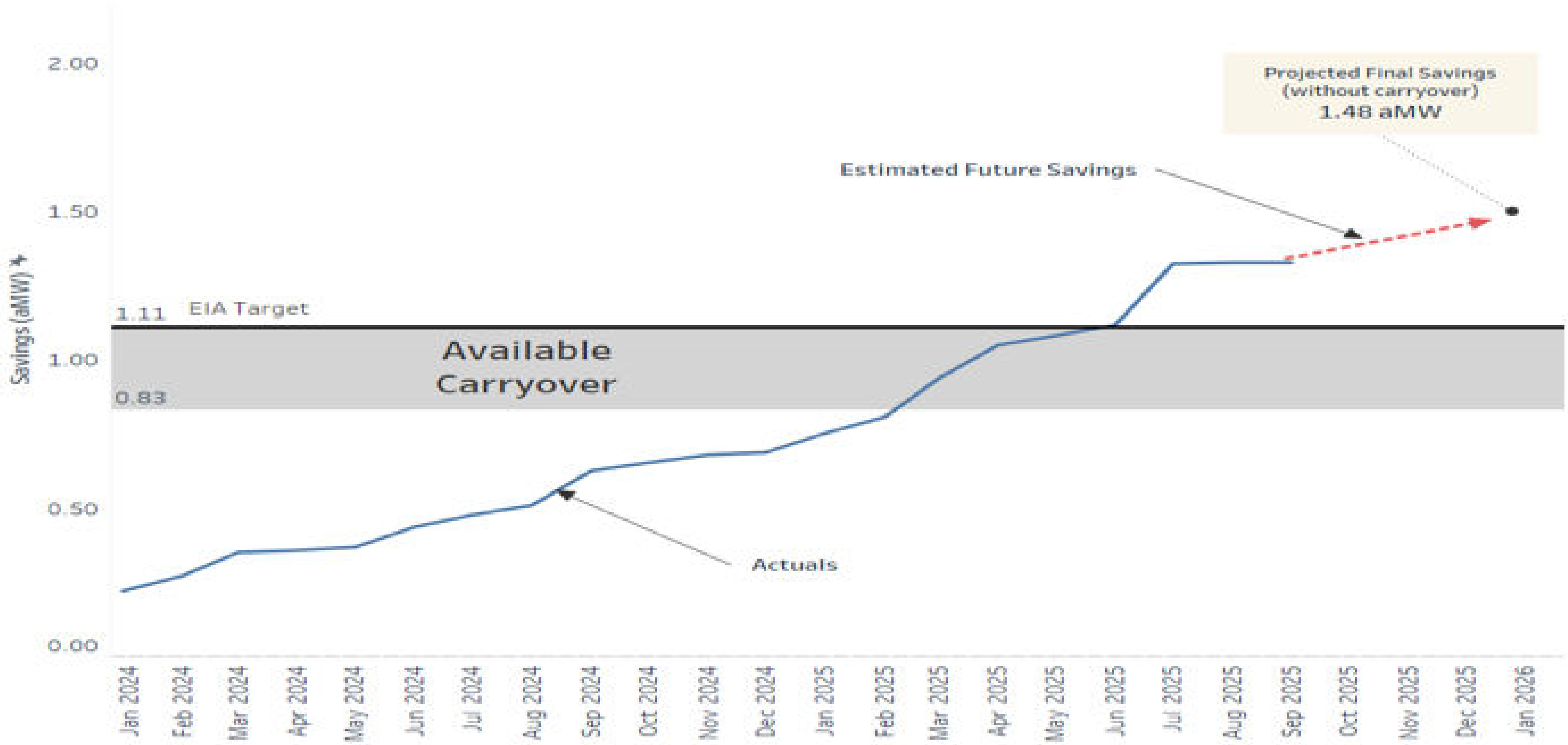


	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
REC Amount aMW	31.2	30.9	26.3	22.3	12.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5
REC Target aMW	31.2	30.9	30.9	30.9	31.0	10.2	10.2	10.3	10.3	10.3	10.3	10.3
REC Net Position aMW	0.0	0.0	-4.6	-8.5	-18.6	-7.7	-7.7	-7.8	-7.8	-7.8	-7.8	-7.9
REC Amount MWh	273,545	270,855	230,629	196,120	108,751	21,866	21,866	21,866	21,866	21,866	21,866	21,866
REC Target MWh	273,545	270,855	270,629	271,120	271,980	89,514	89,685	90,119	90,048	90,240	90,438	90,860
REC Net Position MWh	0	0	-40,000	-75,000	-163,229	-67,648	-67,819	-68,253	-68,182	-68,374	-68,572	-68,994

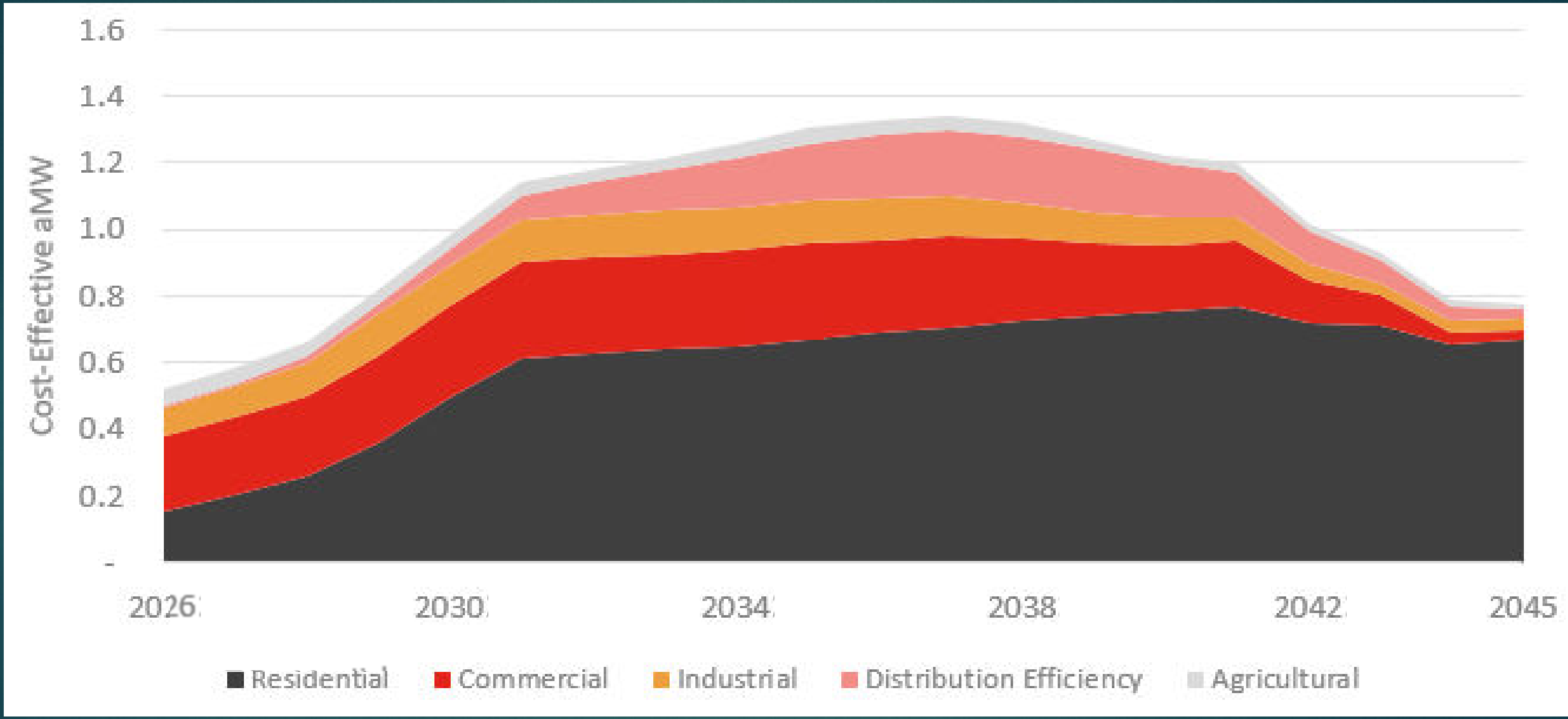
2024-2025 Total Conservation Achieved

Quarterly Performance Summary

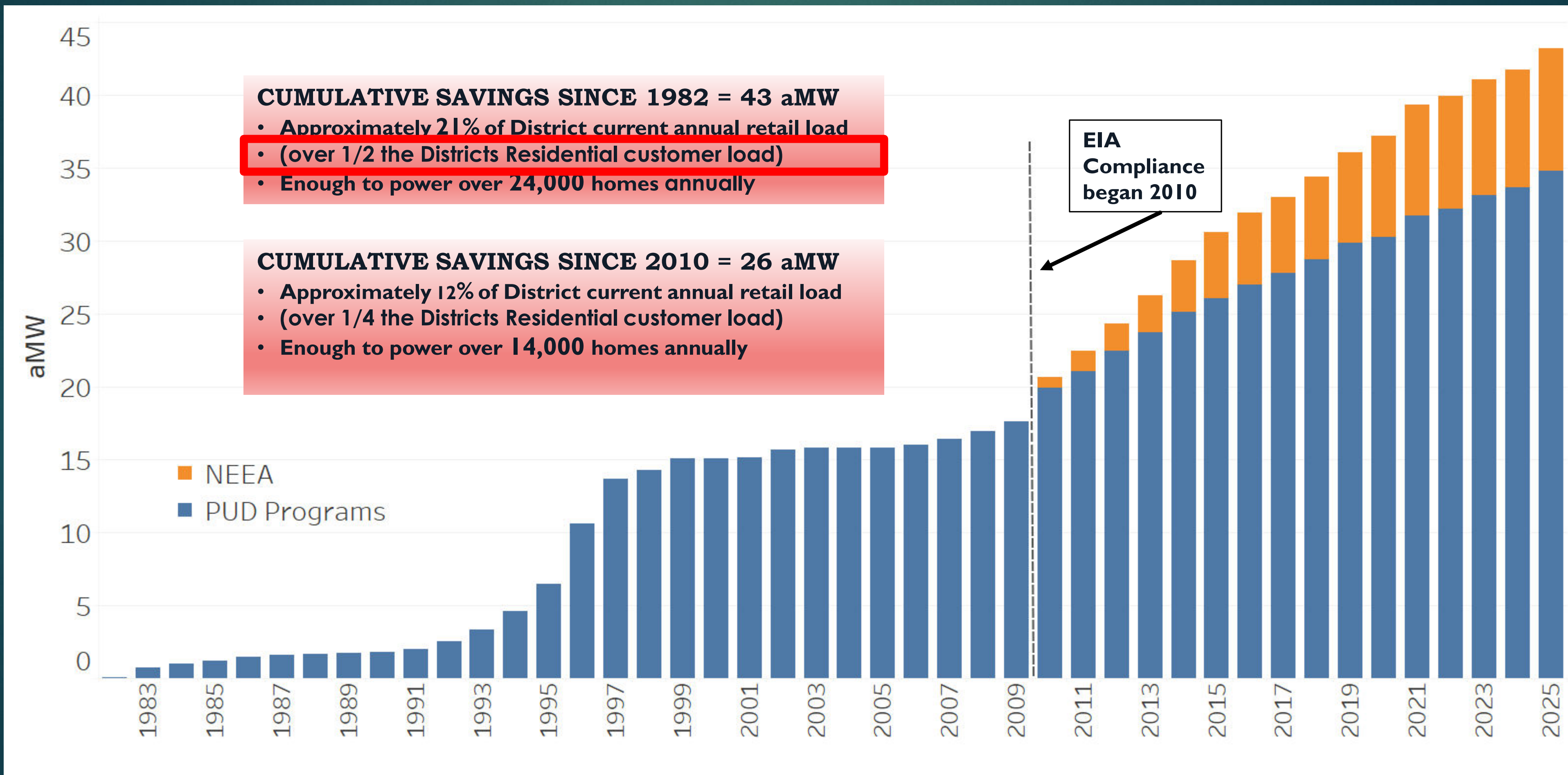
Industrial projects accounted for about 90% of the savings in Q3 as three large agriculture storage shed projects were completed in July. The District has now exceeded its 2024-25 EIA target. Residential programs will continue as normal but are expected to generate only small savings in the final quarter. Based on the current final savings estimate of 1.48 aMW the District would have about 0.37 aMW of excess savings to be used in either of the next two bienniums.



2026-2045 CPA Total Results by Sector



District 1982-2025 Conservation Energy Savings



CAPITAL PLAN (RICK DUNN)

Key takeaways:

- Maintaining the District's system and accommodating growth
- Developing the 21st Century Power Grid
  - Capacity and reliability

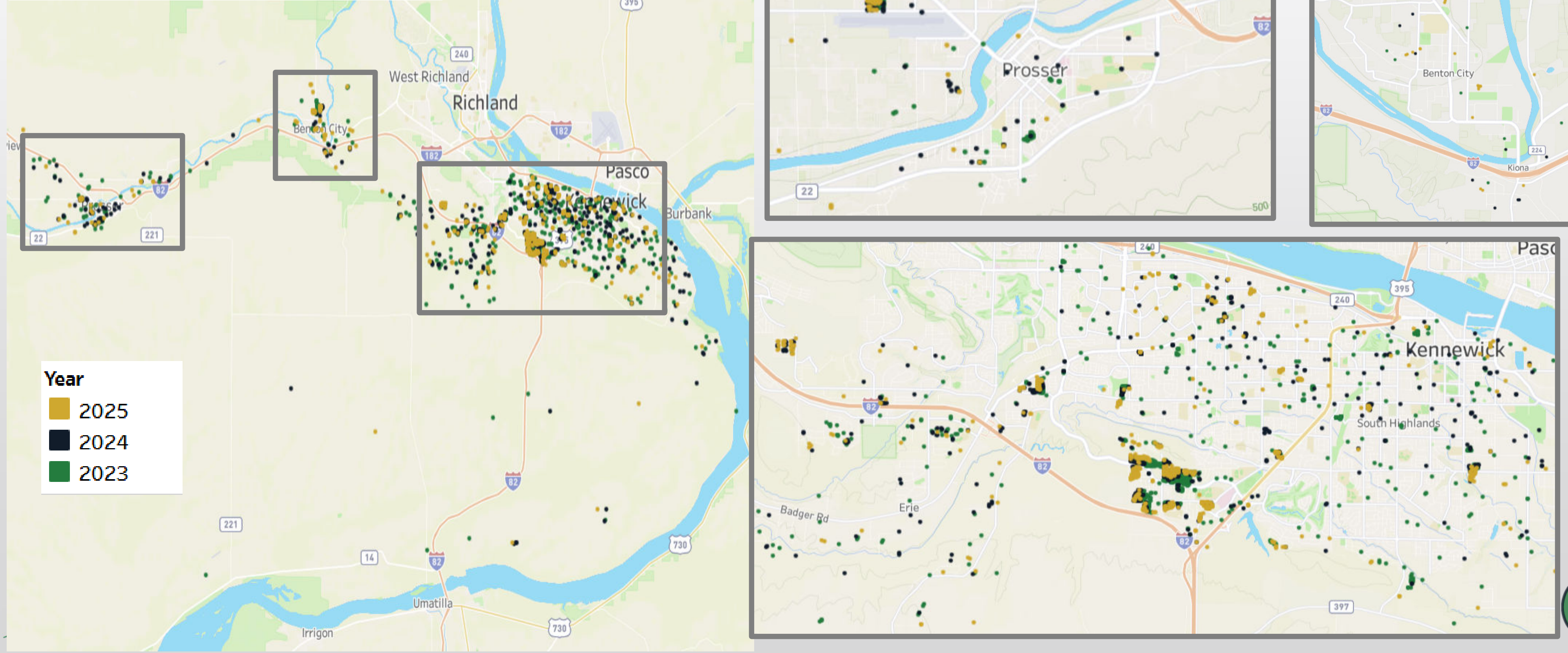
2023-2025 Customer Growth

New Service Locations by Year

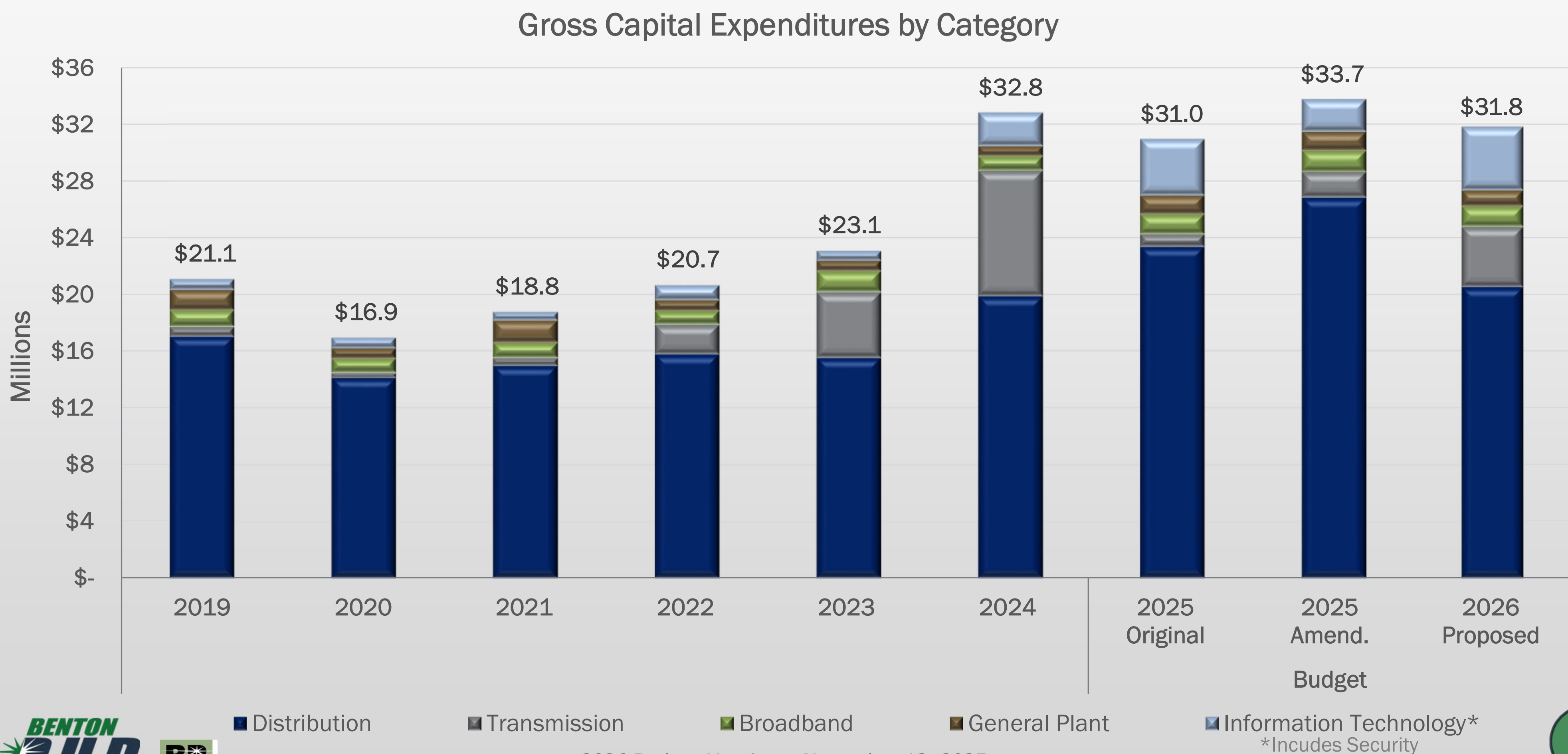
	2023	2024	2025
Electric	956	985	1,050
Solar Production	156	83	94
Total Services	1,112	1,068	1,144

*Actuals through September 30, 2025

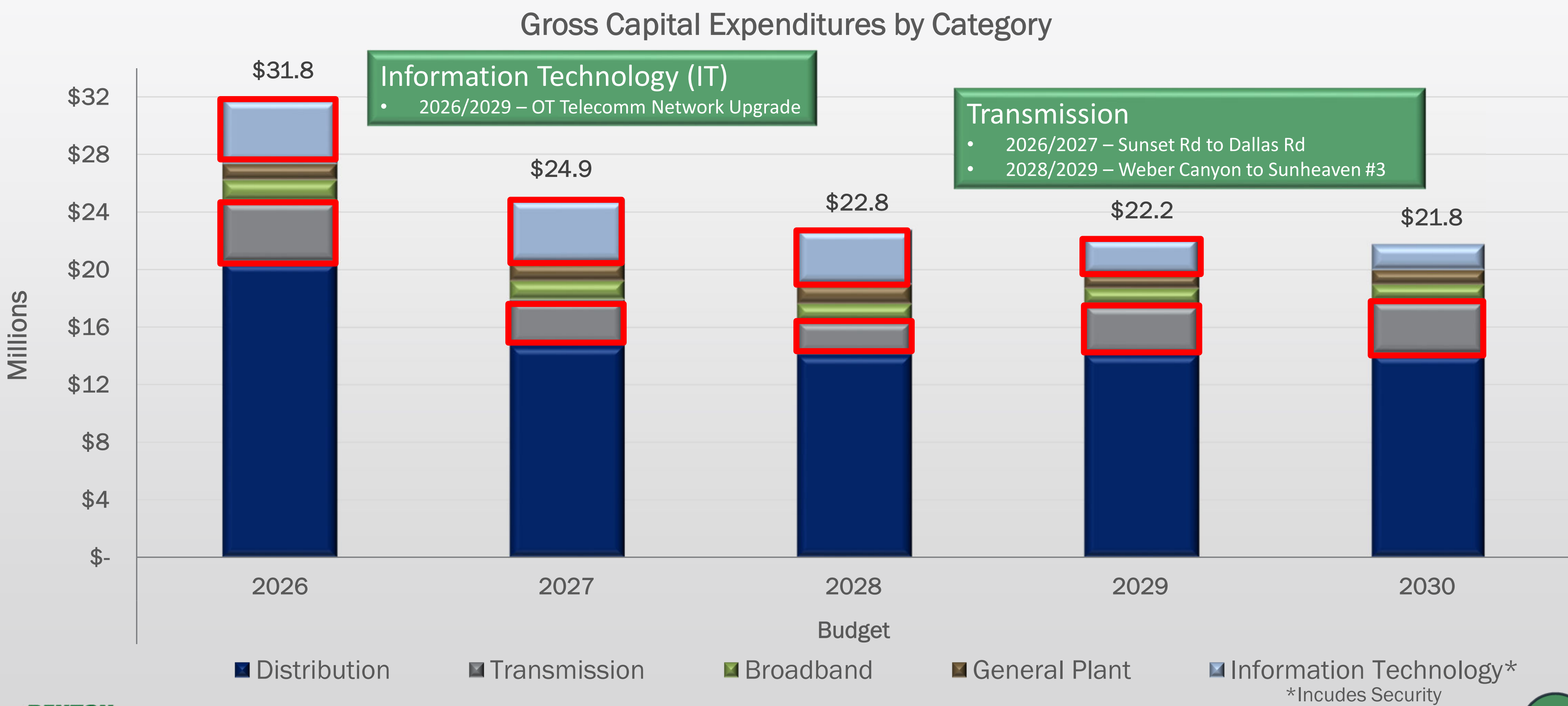
2026
~1,000 New Service Locations



2019 – 2025 Gross Capital



2026 - 2030 Gross Capital



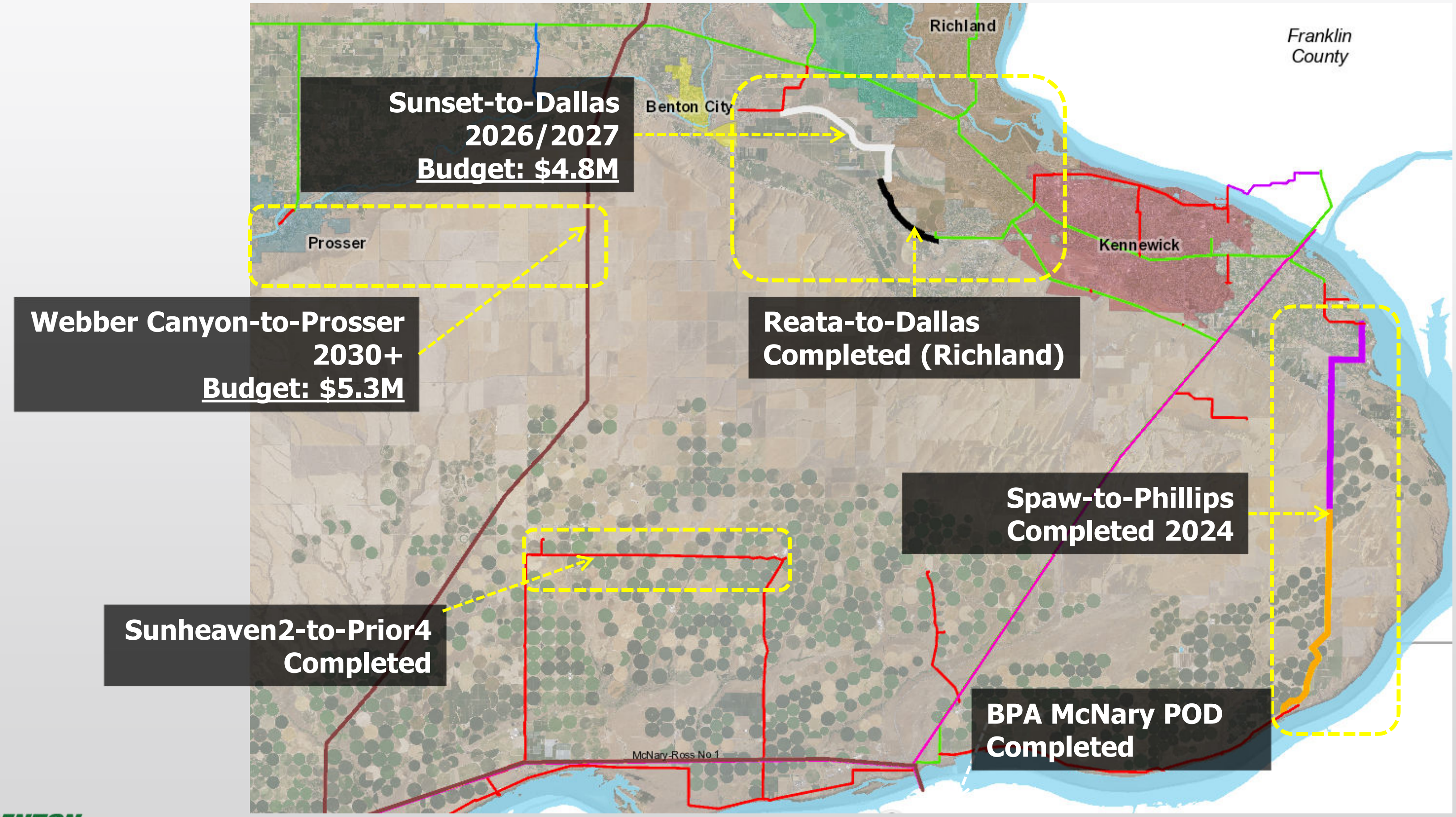
2026 Capital Projects

2026 Capital Projects (Amounts in Thousands)	
Transmission Subtotal (13.4%)	**$4,254**
Sunset Rd to Dallas Rd	2,059
Sun Heaven #3 Transmission Line (Segments 1-A, 1-B, & 2)	1,420
Switch Upgrade/Additions (Prior #2 Sectionalizing, etc.)	400
Poles & Fixtures Repairs/Replacements	143
115kV Re-Route Witcomb/Sandpiper	124
Angus-Franklin River Crossing Tower Evaluation	108
Distribution Subtotal (64.5%)	**$20,513**
Customer Growth	9,430
Capacity & Reliability - Substations	2,156
Other - Repair & Replace (Includes JU NESC Compliance program)	2,038
Cable - Repair & Replacement (Multiple Year Project)	1,855
District 5-Year Plan	1,465
Distribution other (GPS Equipment & Project Management Labor)	1,180
Distribution System Improvements	855
Meters	733
Capacity & Reliability - SCADA	540
Distribution Regulators	261

2026 Capital Projects (Amounts in Thousands)	
Information Technology Subtotal (14.1%)	**$4,472**
OT Telecomm Network Upgrade	2,042
Network Infrastructure	1,115
Kennewick Lobby Remodel	850
Enterprise Security System (Substations, Cameras & Data Center)	400
SQL Server Licenses	55
Enterprise Applications	10
General Plant Subtotal (3.5%)	**$1,129**
Transportation - Light Duty Vehicles (Pickups & Cars)	330
Facilities Improvements and Other	323
Transportation - Heavy Duty Vehicles (Aerial Lifts)	280
Line Department	77
XFMR Shop	58
Meter Shop	47
Auto Shop and Other	14
Broadband Subtotal (4.5%)	**$1,445**
Customer Connections (Multi-tenant, line extensions)	723
Backbone and Laterals	597
Electronics and Other	125
Gross Capital	**$31,813**

Transmission Reliability Improvement Projects

115-kV Transmission Lines for Redundancy



SUBSTATIONS & DISTRIBUTION: ~$20.5M

Customer Growth: $9.4M
~$5.2M Secondary Transformers
Budgeted 1,000 new electric services

Capacity & Reliability: $5.3M
~$0.54 Scada Improvement for Substations
~$0.83M Substation Controls, & Batteries
~$1.58M Sun Heaven #3 Substation
~$0.85M Distribution System Improvement
~$1.46M Plan of Service Projects

Repair & Replace: $3.7M
~$1.8M Cable Replacements
~$1.4M Maintenance (Trouble Orders)

General Plant (Rick Dunn)

Key takeaways:

- Tool and Equipment replacement for Operations

TRANSPORTATION: ~$610K

Project	Project Name	Bu Number	2025 Original Budget	2025 Amended Budget	2026	2027	2028	2029	2030
LDVH - Light-Duty Vehicles (Pickups & Cars)	Transformer Shop - Foreman Truck (Replacing #146, Arrived Q1 2025)	468	$48,000	$48,000					
	Foreman Truck - Prosser (Replacing #168)	517			$95,000				
	Foreman Truck - Kennewick (Replacing #175)	516			$95,000				
	Maintenance Truck (Replacing #158)	523			$90,000				
	Engineering Vehicle 1/2 ton crew cab	514			$50,000				
	Foreman Truck (Replacing #188)	Null				$95,000			
	Meter Shop 2,500 Pickup (Replacing #120)	Null				$95,000			
	Locate Truck (Replacing #190)	Null				$50,000			
	Meter Shop 2,500 Pickup (Replacing #121)	Null						$95,000	
	Total		$48,000	$48,000	$330,000	$240,000		$95,000	
HDVH - Heavy-Duty Vehicles (Aerial Lifts)	Kennewick Bucket Truck (Replacing #166) (Under Contract, Arriving Q4 2025)	342	$342,000	$342,000					
	Bucket Truck - Prosser (Replacing #73) (Under Contract Arriving Q4 2025)	347	$340,000	$340,000					
	Service Truck - Kennewick (Replacing #184) (Under Contract Arriving Q4 2025)	398	$235,000	$235,000					
	Service Truck - Kennewick (Replacing #198)	515			$280,000				
	Service Truck - Prosser (Replacing #189)	Null				$300,000			
	Bucket Truck - Kennewick (Replacing #149)	Null				$300,000			
	80' High Reach Bucket - Kennewick (Replacing #90)	Null					$360,000		
	Dump Truck (Replacing #99)	Null					$300,000		
	Line Truck/Pole Setter (Replacing #170)	Null						$300,000	
	Yard Dump Truck (Replacing #100)	Null						$180,000	
	Line Truck (Replacing #TBD)	Null							$300,000
	Projected Capital - Transportation	Null							$300,000
	Total		$917,000	$917,000	$280,000	$600,000	$660,000	$480,000	$600,000
EQUI - Equipment / Trailers	Warehouse Forklift (Replacing #108)	Null					$300,000		
	Total						$300,000		
Grand Total			$965,000	$965,000	$610,000	$840,000	$960,000	$575,000	$600,000

Evaluation When to Retire a Vehicle

Estimated Replacement Value Entire Fleet~$12M - $13M

Vehicle Age

- 15 – 20 Years

Vehicle Miles/Hours

- Gas Engine – 200,000 miles/hours
- Diesel Engine – 300,000 miles/hours

(BPUD Standard: 1 hour = 20 miles)

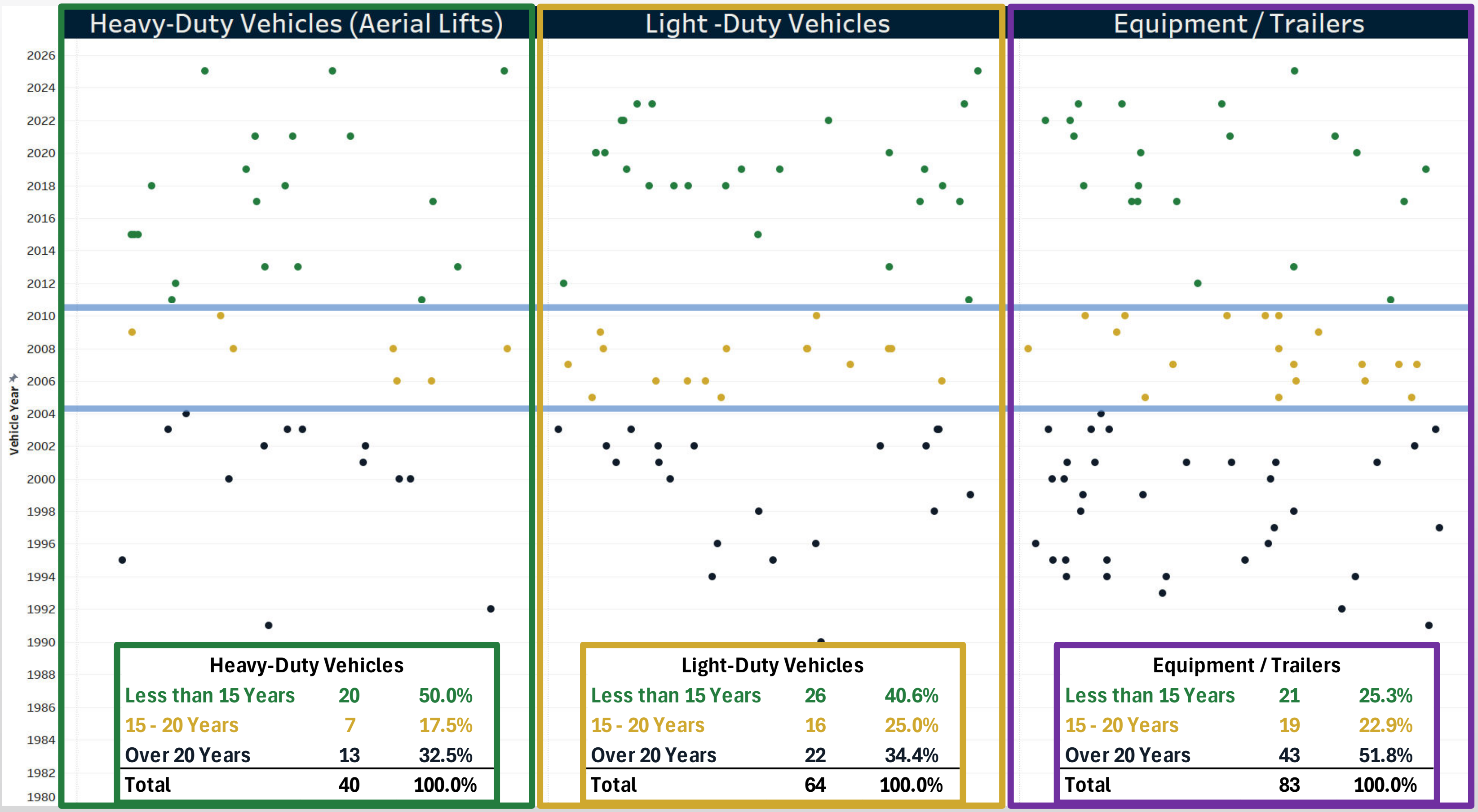
Service Record

- Days Out of Service
- Cost of Repairs

Historical Replacement Process

New Data-Driven Approach

Age of the Vehicle Fleet (187 total)



Heavy-Duty Vehicles		
Less than 15 Years	20	50.0%
15 - 20 Years	7	17.5%
Over 20 Years	13	32.5%
Total	40	100.0%

Light-Duty Vehicles		
Less than 15 Years	26	40.6%
15 - 20 Years	16	25.0%
Over 20 Years	22	34.4%
Total	64	100.0%

Equipment / Trailers		
Less than 15 Years	21	25.3%
15 - 20 Years	19	22.9%
Over 20 Years	43	51.8%
Total	83	100.0%

BROADBAND (CHRIS FOLTA)

Key takeaways:
- Community partnership for fiber extension
- System Improvements for network capacity and growth
- Strategic hardware replacements to maintain capabilities

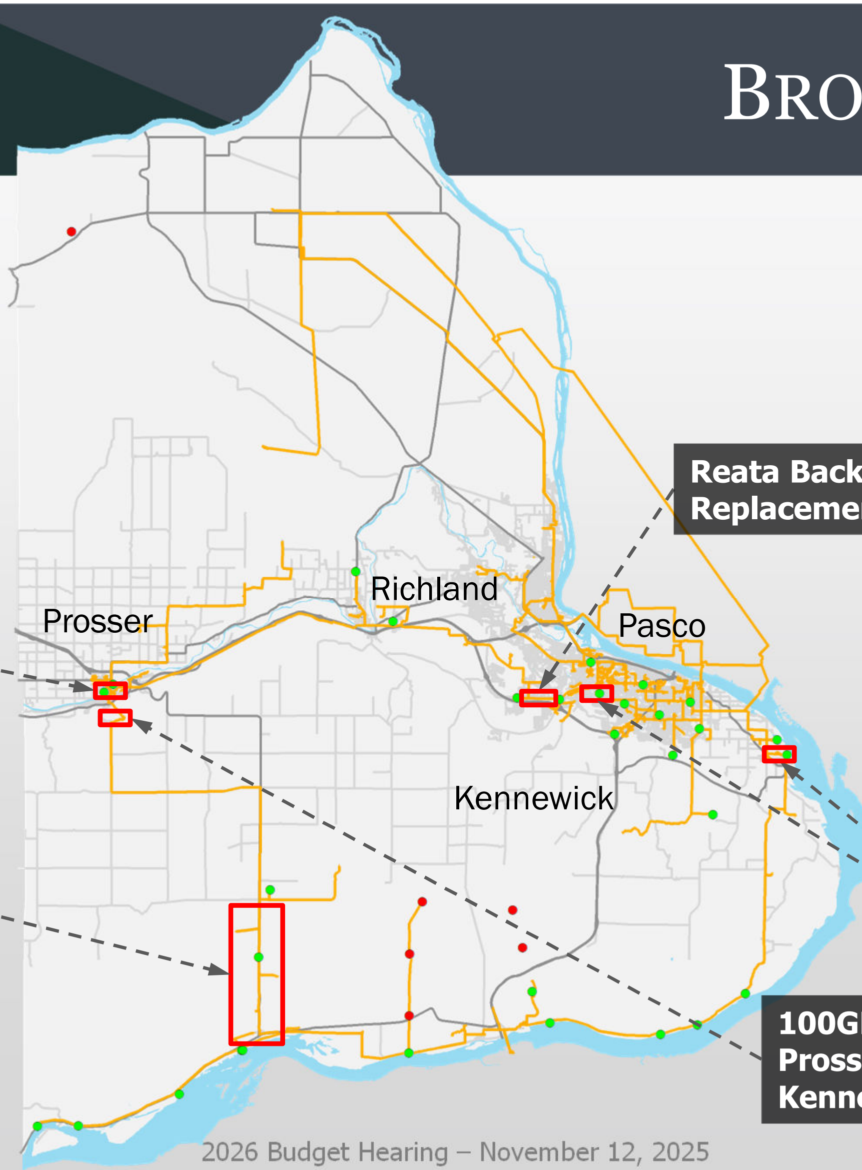
2026 Broadband Revenue, Capital, and Net Cash Flow

Dollars in thousands	2026 Budget	2025 Original Budget	Increase/ (Decrease)	% Change
Revenue	$2,943	$3,063	($120)	(3.9%)
Operating Expenses	(1,310)	(1,247)	(63)	(5.1%)
Net Income [1]	**1,633**	**1,816**	**(183)**	**(10.1%)**
Base Capital	1,445	1,417	28	2.0%
Small Cell	-	-	-	N/A
Capital Contributions	(75)	(75)	-	0.0%
Net Capital	**1,370**	**1,342**	**28**	**2.1%**
Total Broadband Cash Inflow/(Outflow)	**$263**	**$474**	**($211)**	**(44.5%)**

15 Consecutive Years Net Cash Positive!	Future 5 Years (2025-2029)	Previous 5 Years (2020-2024)
Five Year Rolling Net Cash Test	**$3.7M**	**$3.6M**

1) Summary does not include depreciation

BENTON PUD BROADBAND SYSTEM



Fiber Miles: ~560
Fiber Customers: 783
Wireless Customers: 22

2026 Capital Plan: $1.4M

Reata Backbone Fiber Replacement: $30K

Relocate Courthouse Node to City lot: $20K

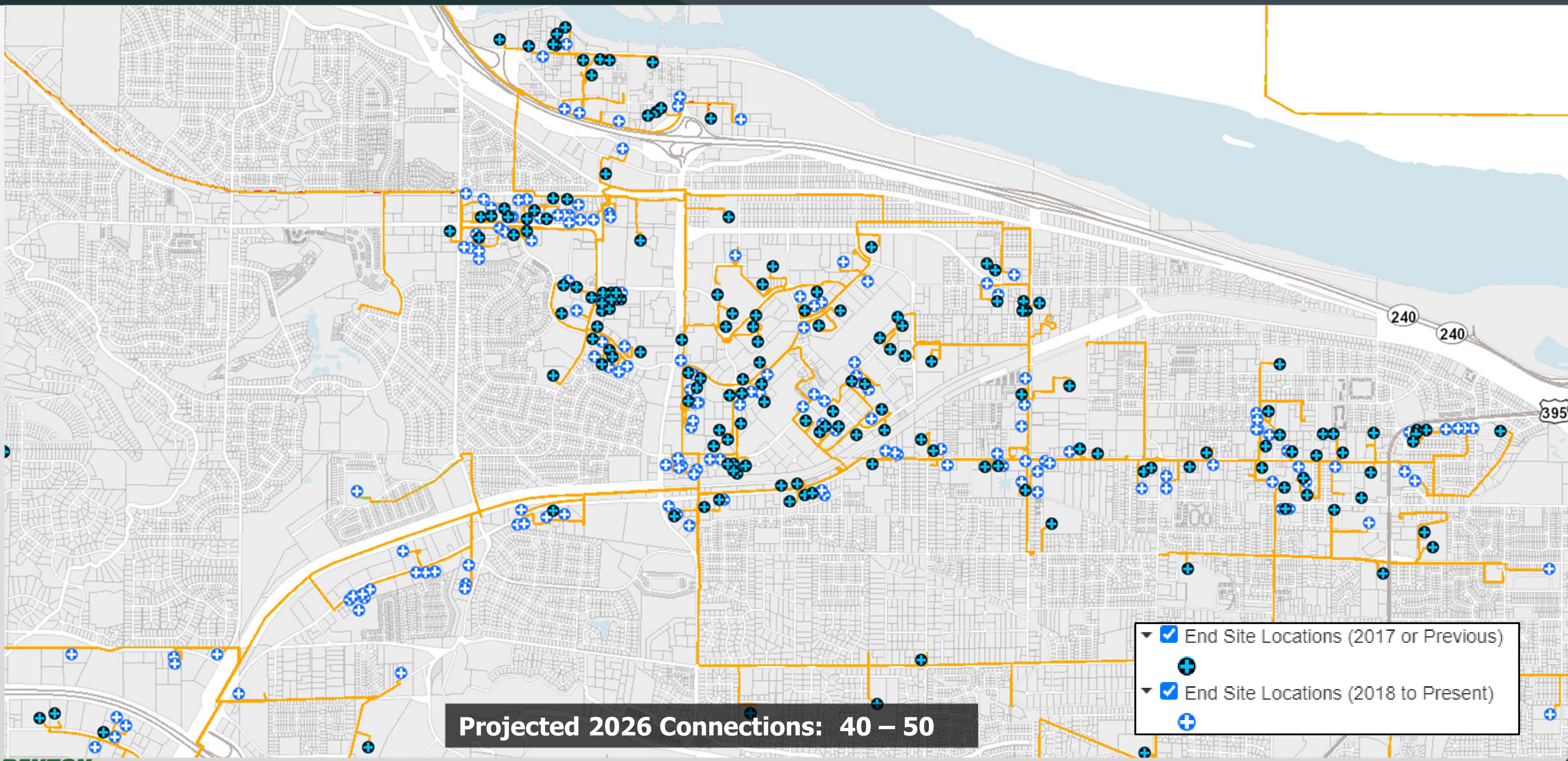
Upgrade MPLS Equipment to add capacity: $20K

100GB Backbone Upgrades between Prosser & Orchard View and Finley & Kennewick: $55K

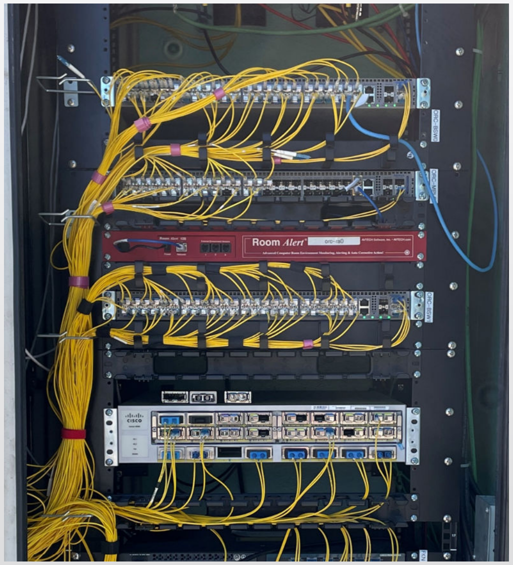
City of Kennewick traffic Signal Project: ~$250K

Traffic Signal Intersections:	**17**
Construction Estimate:	**$250K**
Monthly Recurring Revenue:	**$850**

Customer Connect Line Extensions: ~$425K



Strategic Equipment Replacements: ~$175K



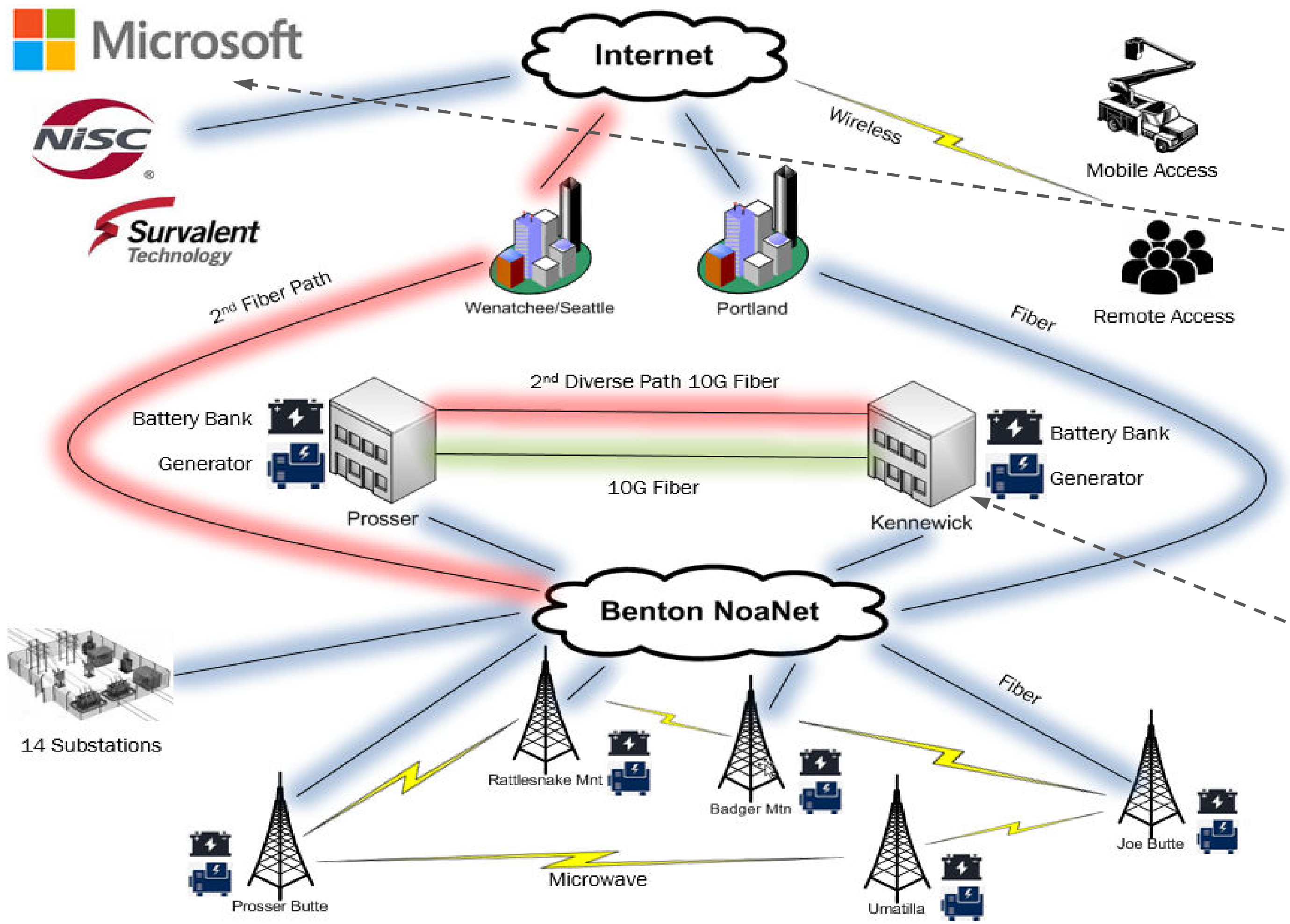
High Density port equipment, Node Hardware, Premise, and Spare Telecom Equipment: $175K

INFORMATION TECHNOLOGY (CHRIS FOLTA)

Key takeaways:

- Strategic hardware replacements to maintain capabilities
- External Data Center (co-location) Contribution

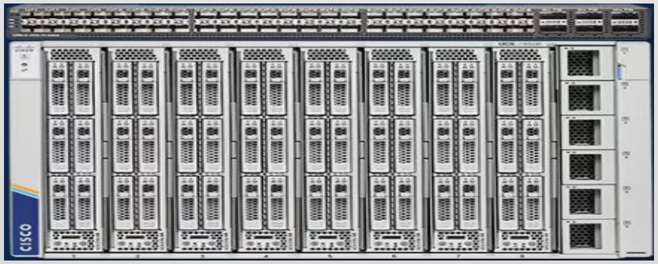
INFORMATION TECHNOLOGY: ~$1.25M IN 2026
SOFTWARE AND AGED-EQUIPMENT REPLACEMENTS

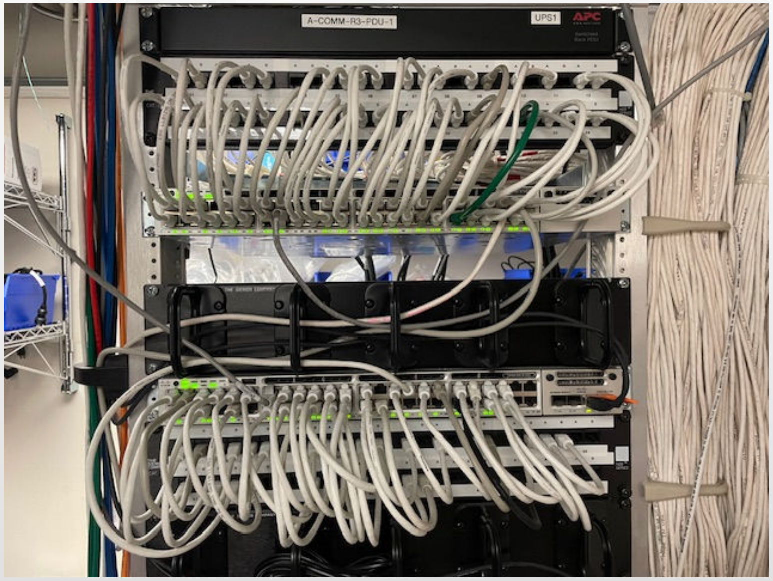


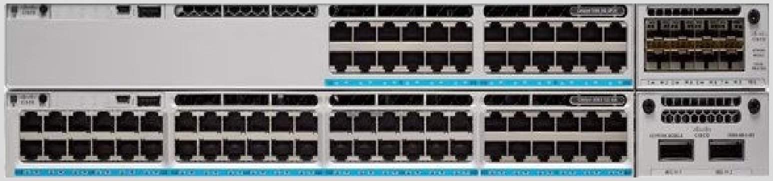
Database Software:	**$55K**
Server Software:	**$25K**

Server, Switch Equipment:	**$475K**
Storage & Backup System:	**$600K**
External Data Center:	**$100K**
Multi-Function Printer:	**$15K**

Virtual Server & Network Switch Replacements: ~$475K







UCS Servers: $400K

Network Switches: $75K

STORAGE AREA NETWORK & BACKUP SYST. REPLACEMENTS: ~$600K

PURESTORAGE®

veeam → rubrik

Storage Network (expand capacity): $150K

Backup Data System Replacement: $450K

IT Capital Equipment and Data Center Contribution ~$115K

Multi-Function Printer: $15K

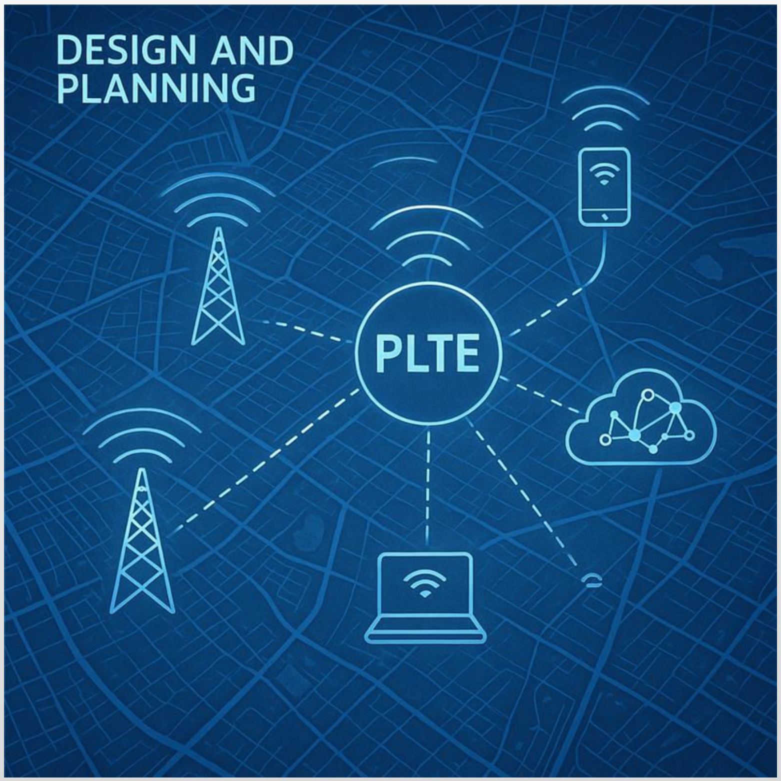
External Data Center Co-location: $100K*

***District contribution to reserve space/capacity for future use if project is funded by third-party**

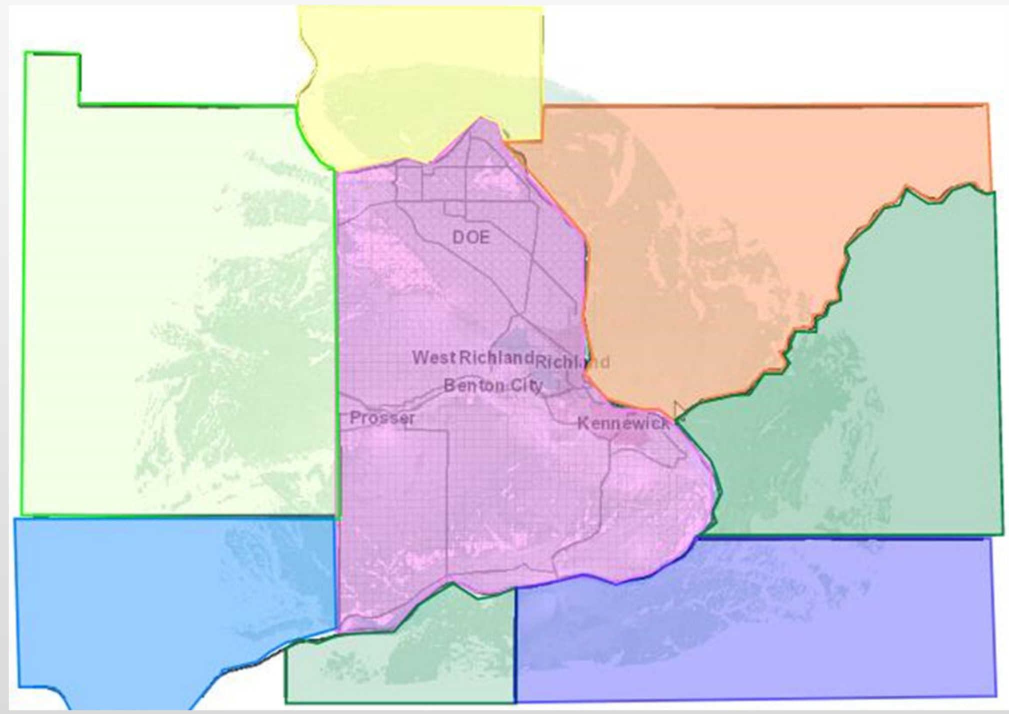
Operational Technology (Chris Folta)

Key takeaways:
- OT Telecommunications Network Upgrade
- Substation Equipment Replacements
- Cold Creek Substation Fiber Extension

OPERATIONAL TECHNOLOGY: ~$2.05M IN 2026
OT TELECOM UPGRADE: ~$1.8M

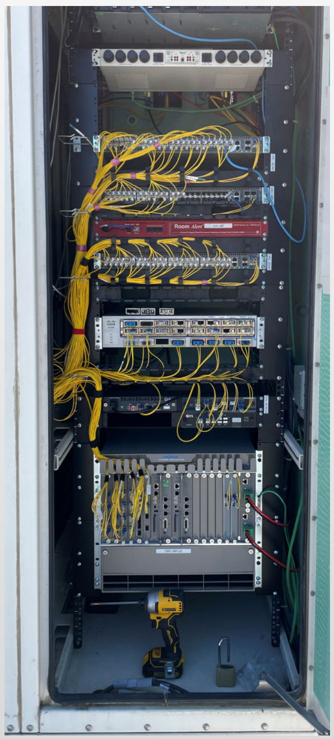


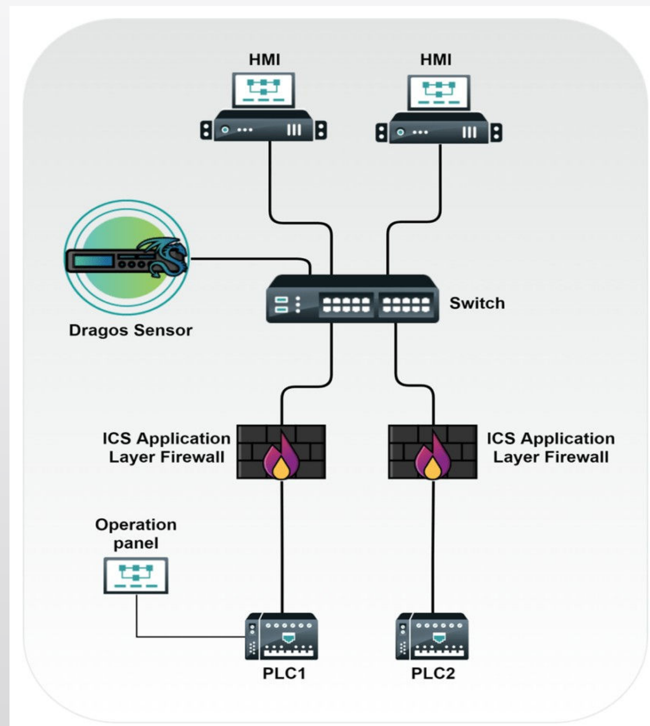
OT Network System Design, Planning, Equipment Procurement-initial: $1.3M



Radio Frequency Spectrum Acquisition: $500K

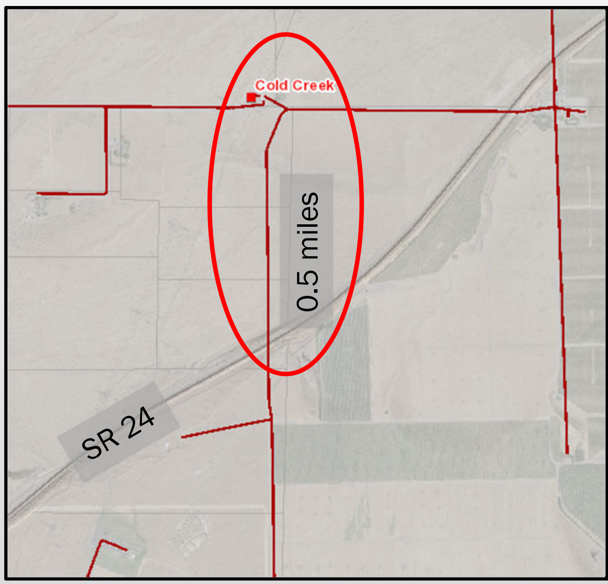
Substation Router Replacements: ~$100K

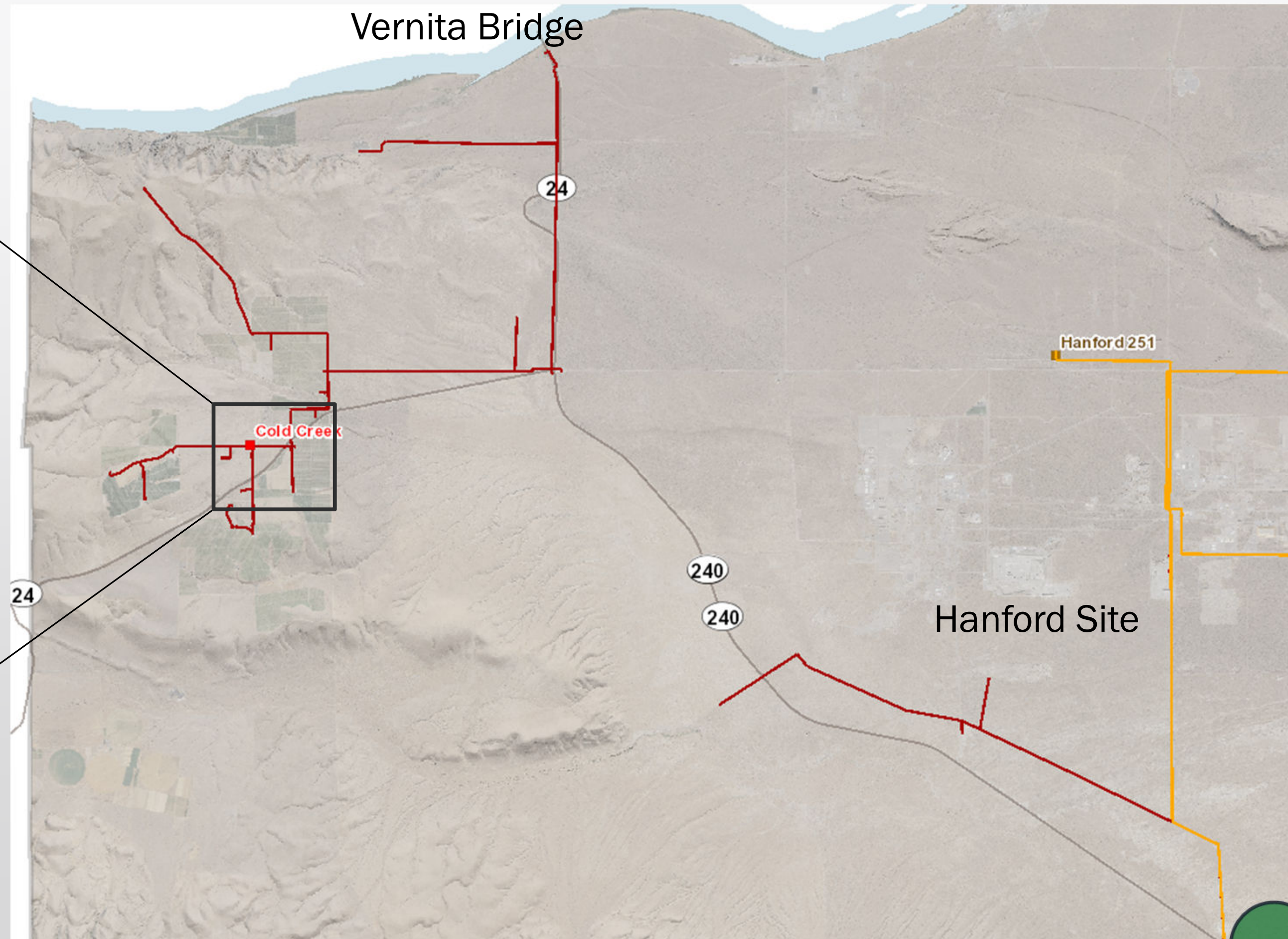




Substation Router Replacements: $100K

COLD CREEK FIBER EXTENSION: ~$100K



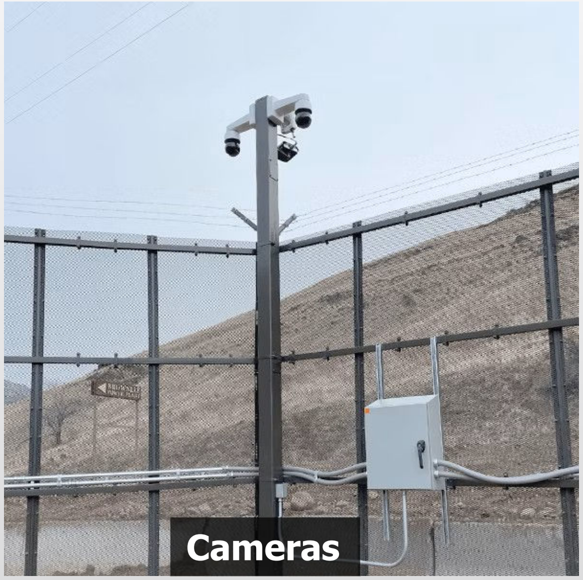


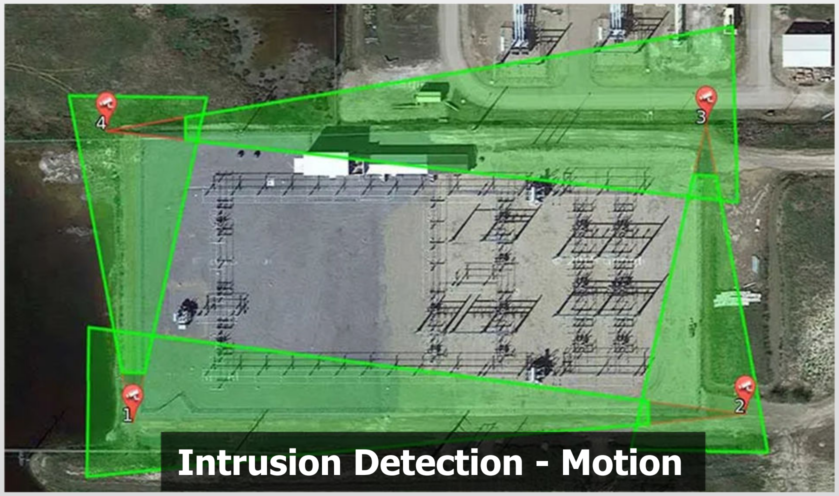
Substation Fiber Extension: $100K

SECURITY (CHRIS FOLTA)

Key takeaways:
- 2026-2030 Strategic Plan Action Item
- Electric Substation physical security focus
- Mitigate risks to critical infrastructure
- Safety of employees and public through facility improvements

Security: ~$1.3M in 2026
Substation Security Improvements ~$270K





Substation Security Improvements (cameras, access control, intrusion detection): $270K

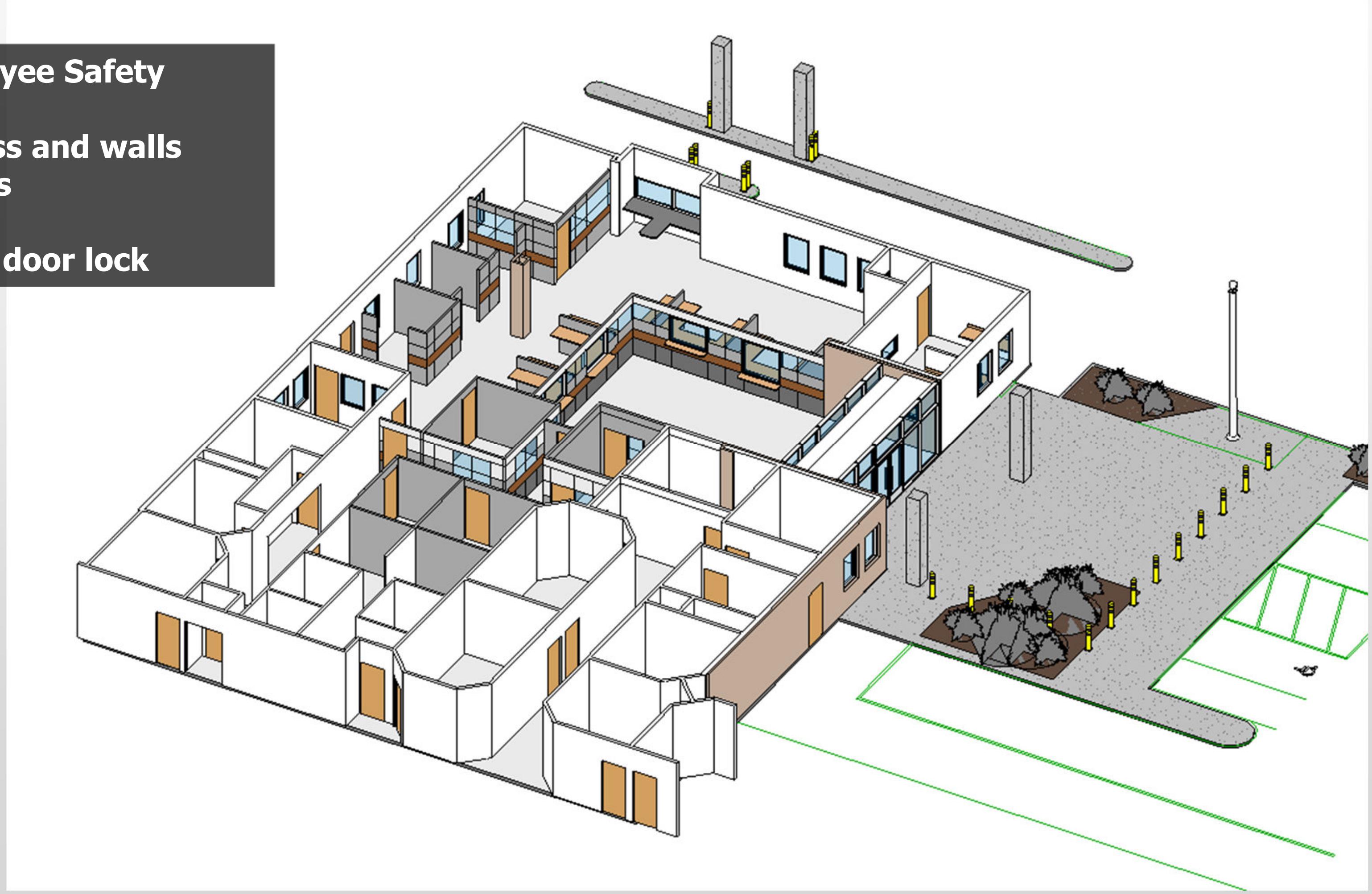
Kennewick Lobby Remodel ~$0.85M

Budgeted originally in 2024, Project Deferred to 2026

Focused on Employee Safety

Ballistic rated glass and walls
Protective bollards

Push button front door lock

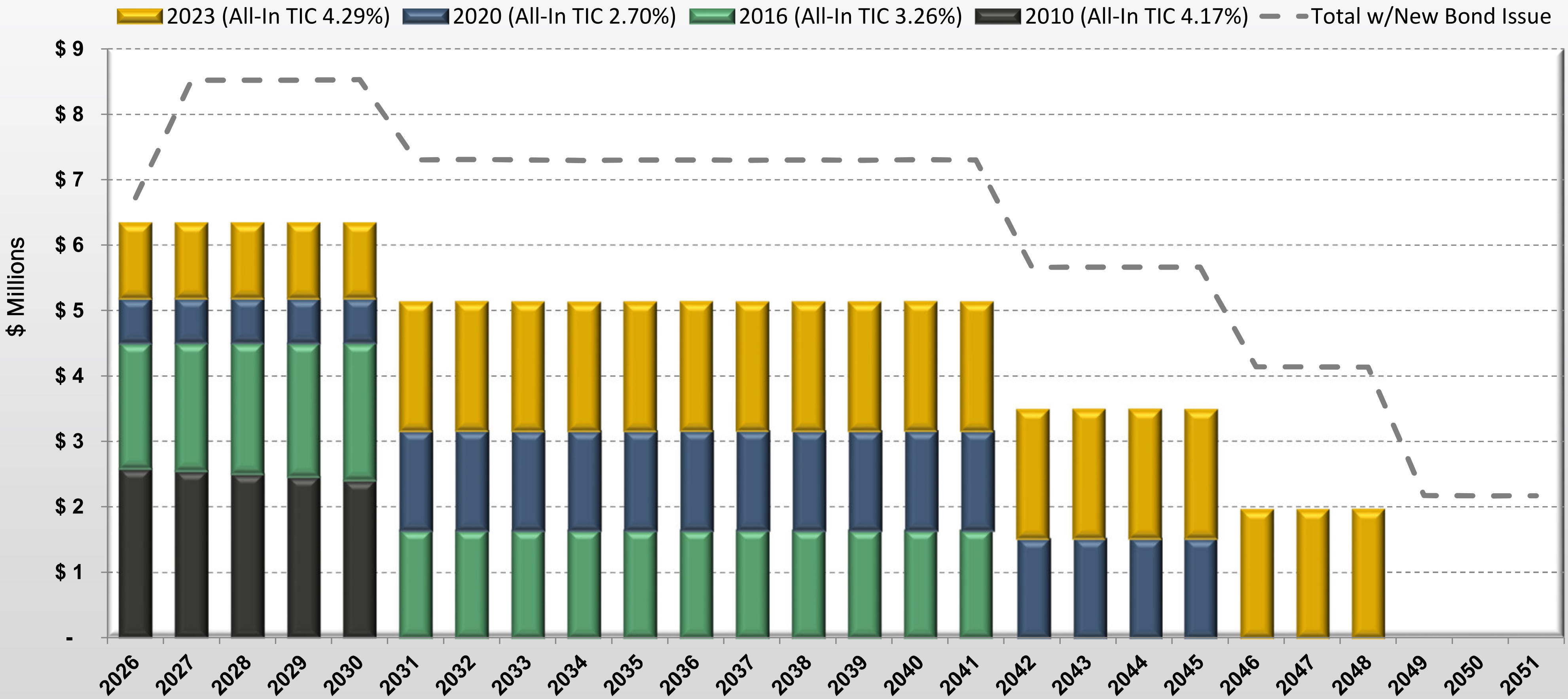


DEBT SERVICE (KEITH MERCER)

Key takeaways:
- Good fiscal stewardship through sound financial planning
- Planning for a 2026 bond issuance

Debt Service Schedule

2026 Bond Issue ($32M New Money and Refunding the 2016 Bonds)



2026 Debt Service, Taxes, and Other

Dollars in thousands	2026 Budget	2025 Original Budget	Increase/ (Decrease)
Other Expenditures:			
Taxes	$15,788	$15,490	$298
Interest Expense *	3,149	3,272	(123)
Debt Service Principal	2,930	3,415	(485)
Debt Premium & Expense Amortization	(505)	(521)	16
Total Other Expenditures	**$21,362**	**$21,656**	**($294)**
Non-Cash Expenses			
Depreciation/Amortization	13,138	12,653	485
Total Non-Cash Expenses	**$13,138**	**$12,653**	**$485**

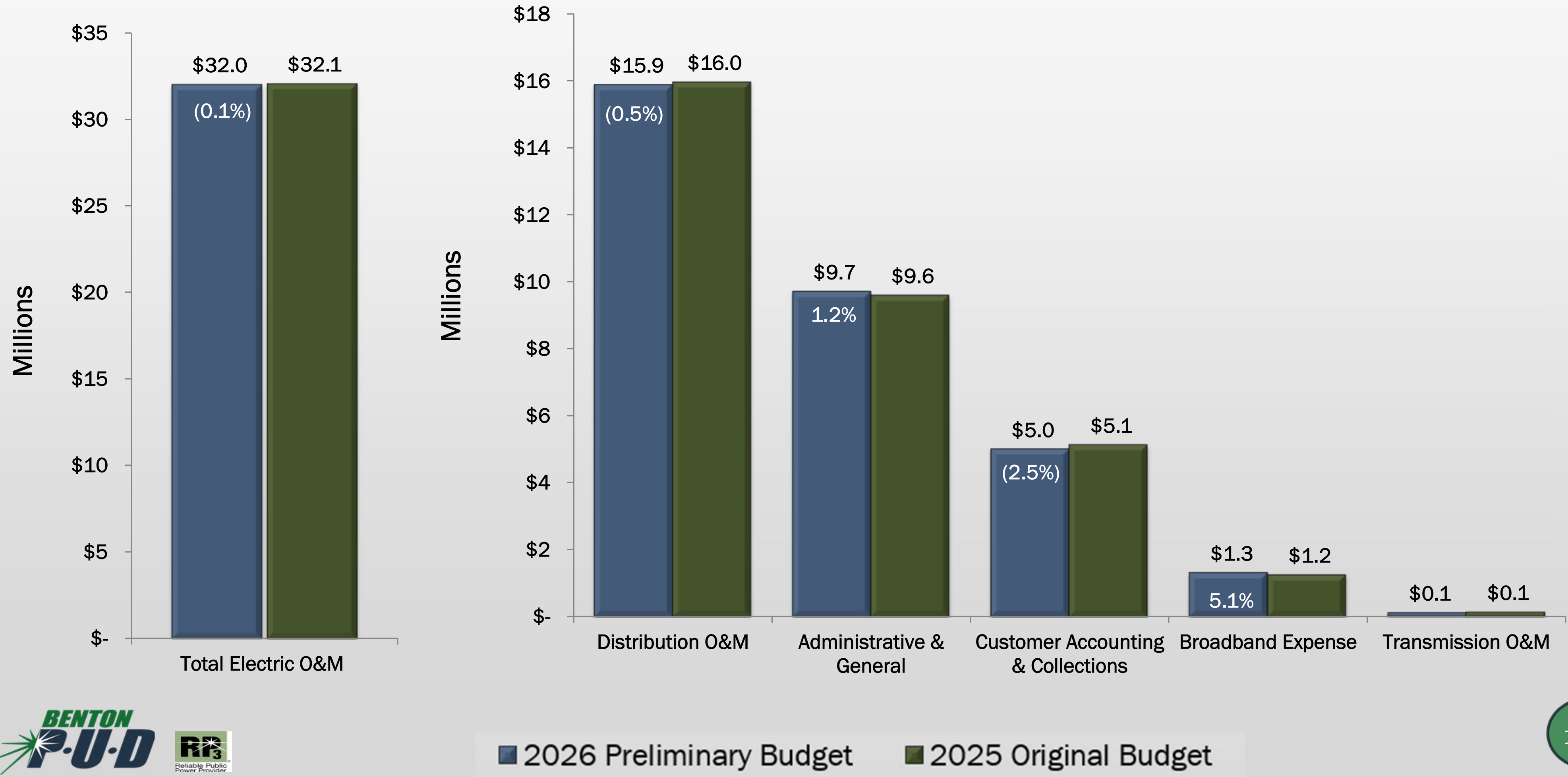
**Interest expense is net of the Build America Bonds federal subsidy of $0.3 million*

NON-POWER O&M COSTS (RICK DUNN)

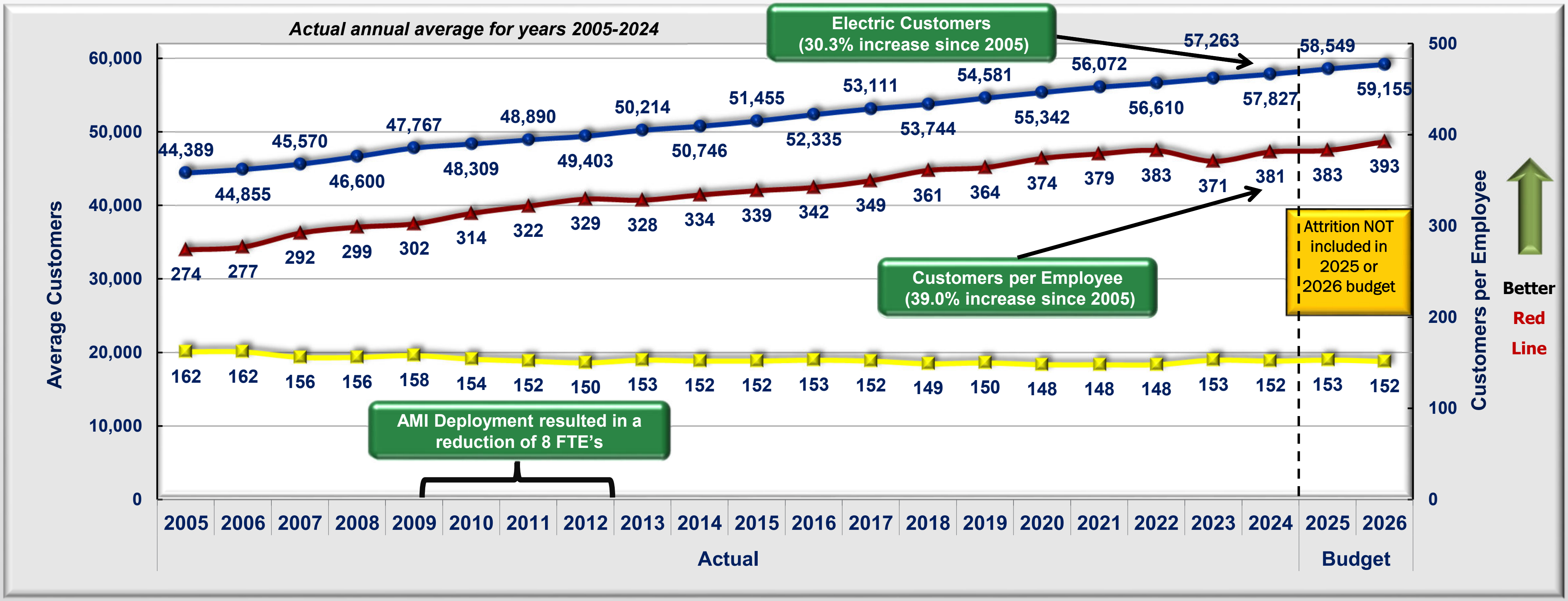
Key takeaways:

- Incorporates key strategic initiatives, while
- Maintaining fiscal stewardship

Operations & Maintenance



Customers per District Employee



Definition of Customer per American Public Power Association

Note: -Average customer figures have been restated to be consistent with method used by new enterprise system.
-FTE figures have been restated and now include a reduction for the FTEs shared and paid for by other utilities.
Currently 0.5 FTEs are shared and paid for by other utilities.

Authorized Staffing

Full Time Equivalent Positions (FTEs)

Directorate	2026 Staffing Plan	2025 Staffing Plan	Increase/ (Decrease)
Executive / Finance & Business Services	22.25	22.25	-
Customer Service & Treasury Operations	18.50	18.50	-
Engineering	18.75	18.25	0.50
Power Management	7.00	8.00	(1.00)
Operations	67.00	67.25	(0.25)
Information Technology	18.00	18.75	(0.75)
Authorized Positions	**151.50**	**153.00**	**(1.50)**
Less: FTEs utilized by other local utilities	(0.50)	(0.50)	-
Authorized Positions	**151.00**	**152.50**	**(1.50)**

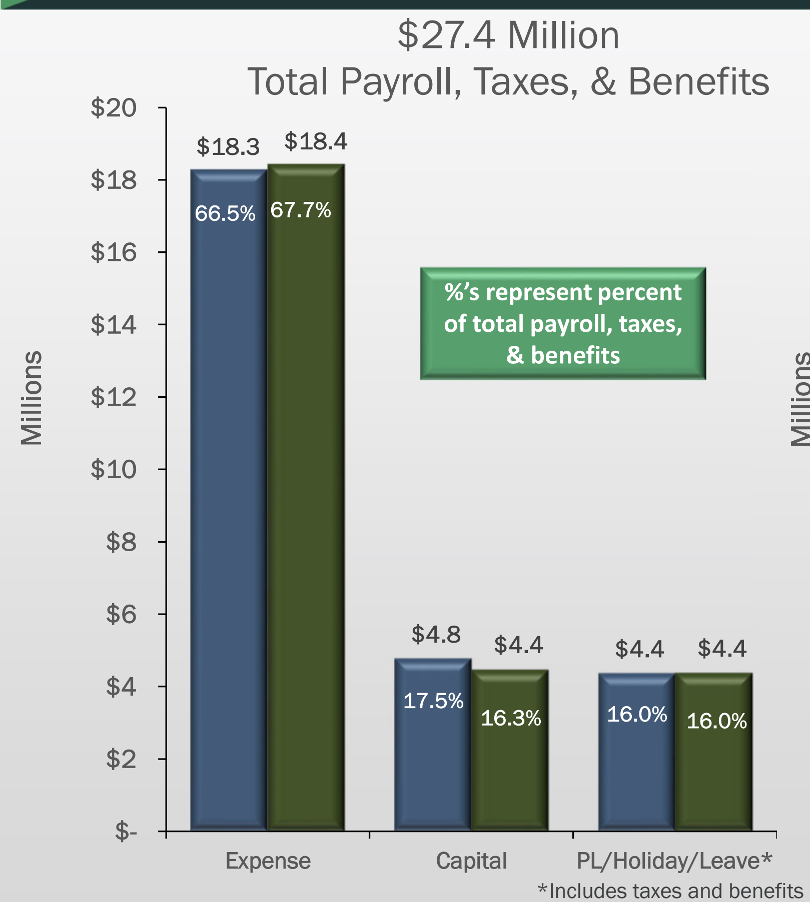
Payroll Taxes & Benefits

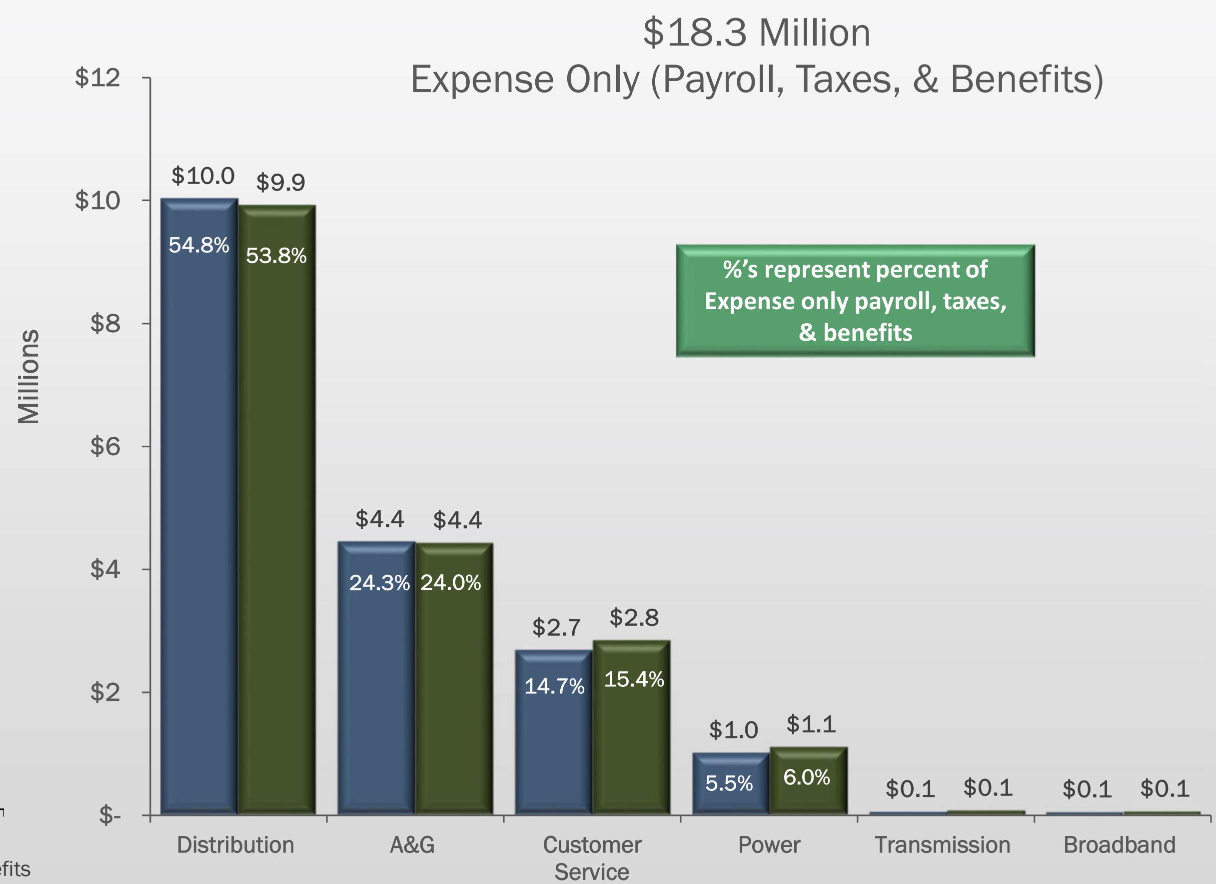
Dollars in thousands	2026 Budget	2025 Original Budget	Increase/ (Decrease)	% Change
Labor				
Overtime Wages	$1,041	$1,004	$37	3.7%
Regular Labor - Salaries and Wages	18,796	18,322	474	2.6%
Total Labor	**$19,837**	**$19,326**	**$511**	**2.6%**
Payroll Taxes				
Social Security	$1,209	$1,177	$32	2.7%
Medicare	288	280	8	2.9%
Total Payroll Taxes	**1,497**	**1,457**	**$40**	**2.7%**
Employee Benefits				
State Industrial/Unemployment	263	227	$36	15.9%
Public Employee Retirement System	1,078	1,727	(649)	(37.6%)
Deferred Compensation Match	776	765	11	1.4%
VEBA Contributions	358	362	(4)	(1.1%)
Medical/Dental/Vision Insurance	3,360	3,055	305	10.0%
Other Benefits	316	316	-	0.0%
Total Employee Benefits	**$6,151**	**$6,452**	**($301)**	**(4.7%)**
Total Payroll Taxes and Benefits	**$7,648**	**$7,909**	**($261)**	**(3.3%)**
Grand Total Labor, Payroll Taxes and Benefits	**$27,485**	**$27,235**	**$250**	**0.9%**

Effective July 1, 2025, PERS employer contribution rate decreased from 9.11% to 5.58%.

Increase in medical premiums is due to a 12.3% increase to medical rates and a reduction in FTE's

PAYROLL, TAXES, & BENEFITS
(BY CATEGORY)





2026 Preliminary Budget
2025 Original Budget

Summary & Next Steps

SUMMARY – KEY TAKE AWAYS

1. 2% overall increase in retail energy sales revenues ($147.4 M)
   - Load growth assumptions from the **2025-2035 Ten-Year Load and Customer Forecast**
   - Proposed **2% overall rate increase** effective April 1, 2026
   - Implemented through rate increases of **varying percentages** depending on the customer class
2. Net wholesale power costs stabilized with BPA Load Following ($85.4 M)
   - BPA BP-26 rate case increase (effective October 1, 2025)
3. 2026 gross capital ($31.8 M)
   - Continue to implement **21st Century Power Grid** projects
   - Persistent supply chain constraints and **price inflation**
   - Substantial investments in **Capacity & Reliability** projects
4. Operations & maintenance expenses ($32.0M)
   - Tracking with wage and benefits inflation
   - Remains well below APPA median benchmark

Next Steps

November 12
- Public Hearing
- Open public comment period

November 25
- Commission meeting
- Review customer comments
- Review budget updates

December 2
- Public Comment period closed

December 9
- Review customer comments
- Review budget updates (if applicable)
- Consider Adoption of the 2026 Budget
- Consider Adoption of the 2026 Rate Increase

Commissioner Questions & Comments

Customer Questions & Comments

END OF PRESENTATION

Appendix

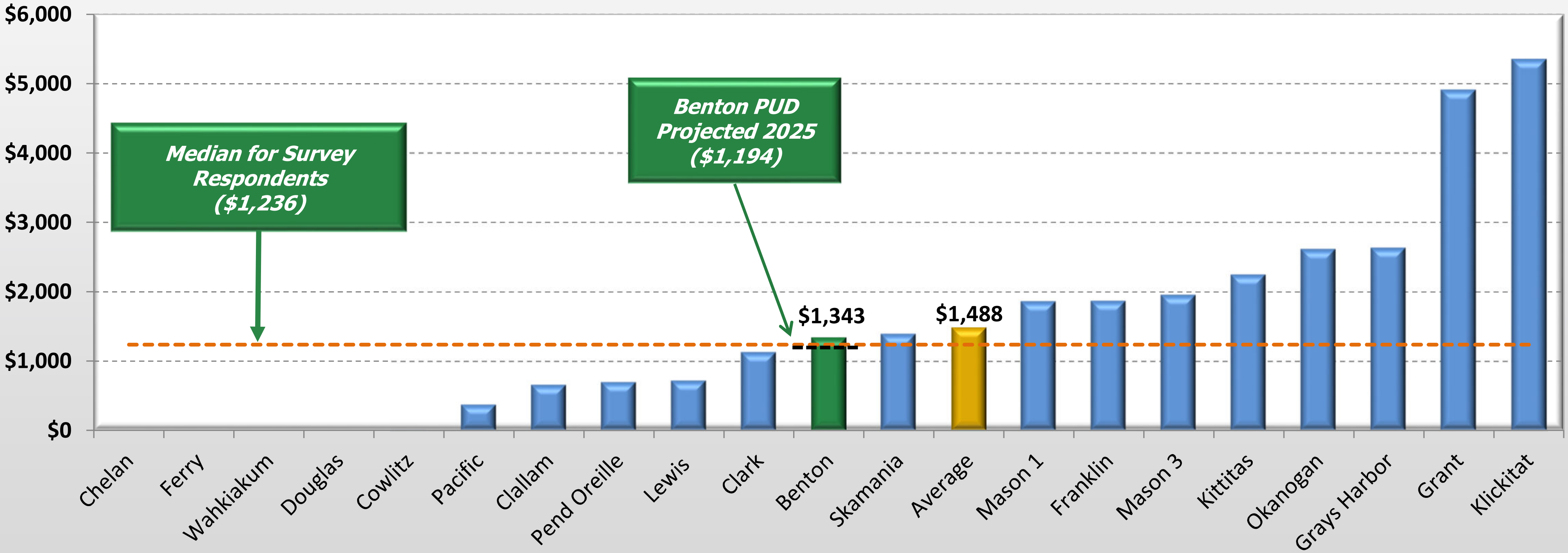
Financial Metrics

DEBT PER CUSTOMER

WPUDA[1] SURVEY – AUGUST 2024 (DISTRIBUTION SYSTEMS ONLY)

[1]Washington PUD Association

Source: WPUDA Source Book (Aug 2024)



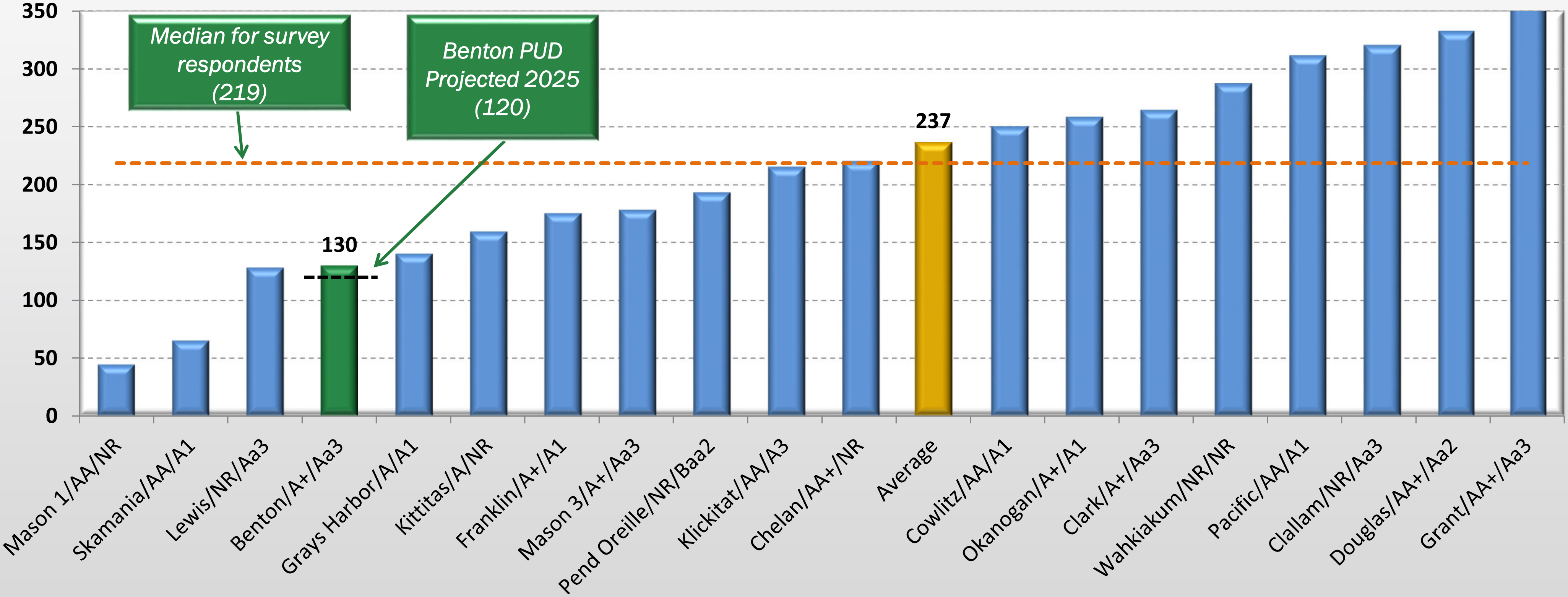
District below the average and just above the median of Washington PUDs

DAYS CASH ON HAND (RESERVES)

WPUDA[1] SURVEY – AUGUST 2024 (DISTRIBUTION SYSTEMS ONLY)

[1]Washington PUD Association

Source: WPUDA Source Book (Aug 2024)



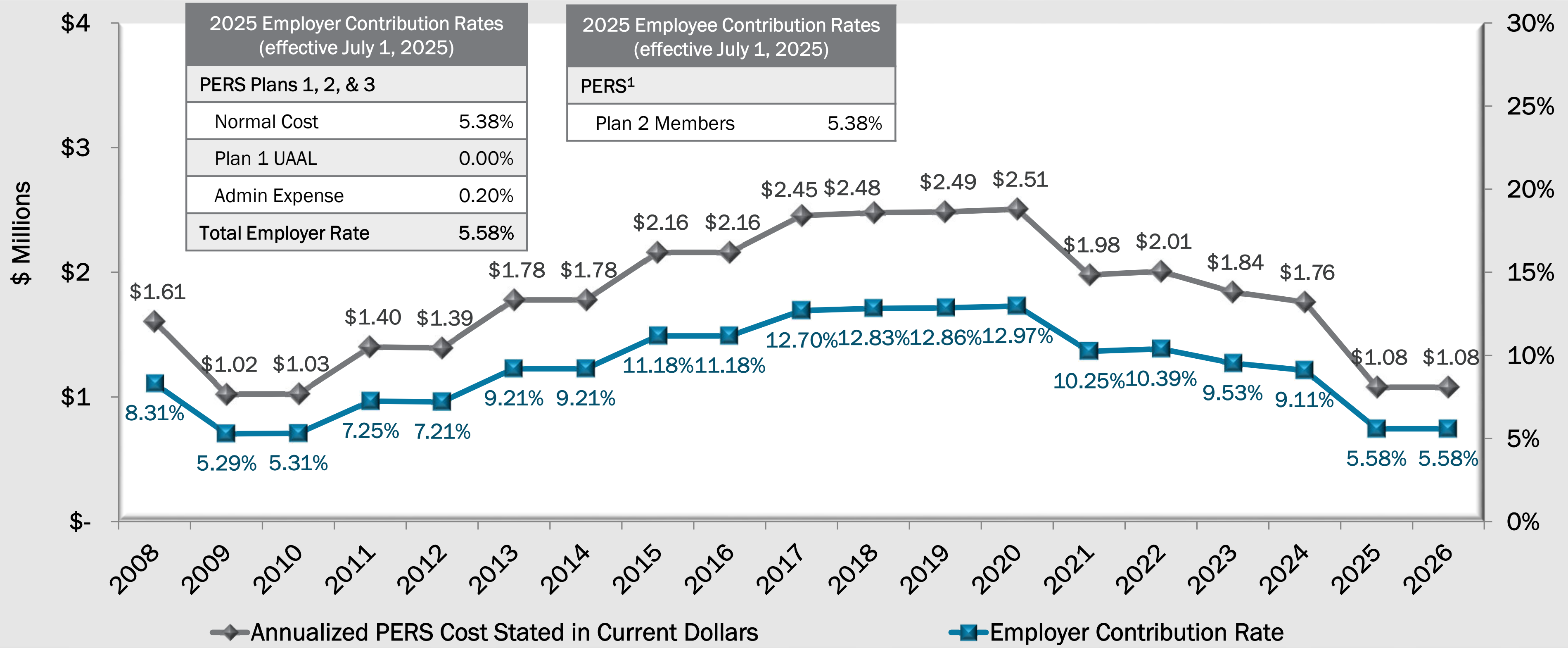
Measures the number of days utility can cover its operating expenses using unrestricted reserves and assuming no additional revenue

2026 PRELIMINARY BUDGET

PUBLIC EMPLOYEE RETIREMENT SYSTEM – EMPLOYER CONTRIBUTION

2025 Employer Contribution Rates (effective July 1, 2025)	
PERS Plans 1, 2, & 3	
Normal Cost	5.38%
Plan 1 UAAL	0.00%
Admin Expense	0.20%
Total Employer Rate	5.58%

2025 Employee Contribution Rates (effective July 1, 2025)	
PERS[1]	
Plan 2 Members	5.38%

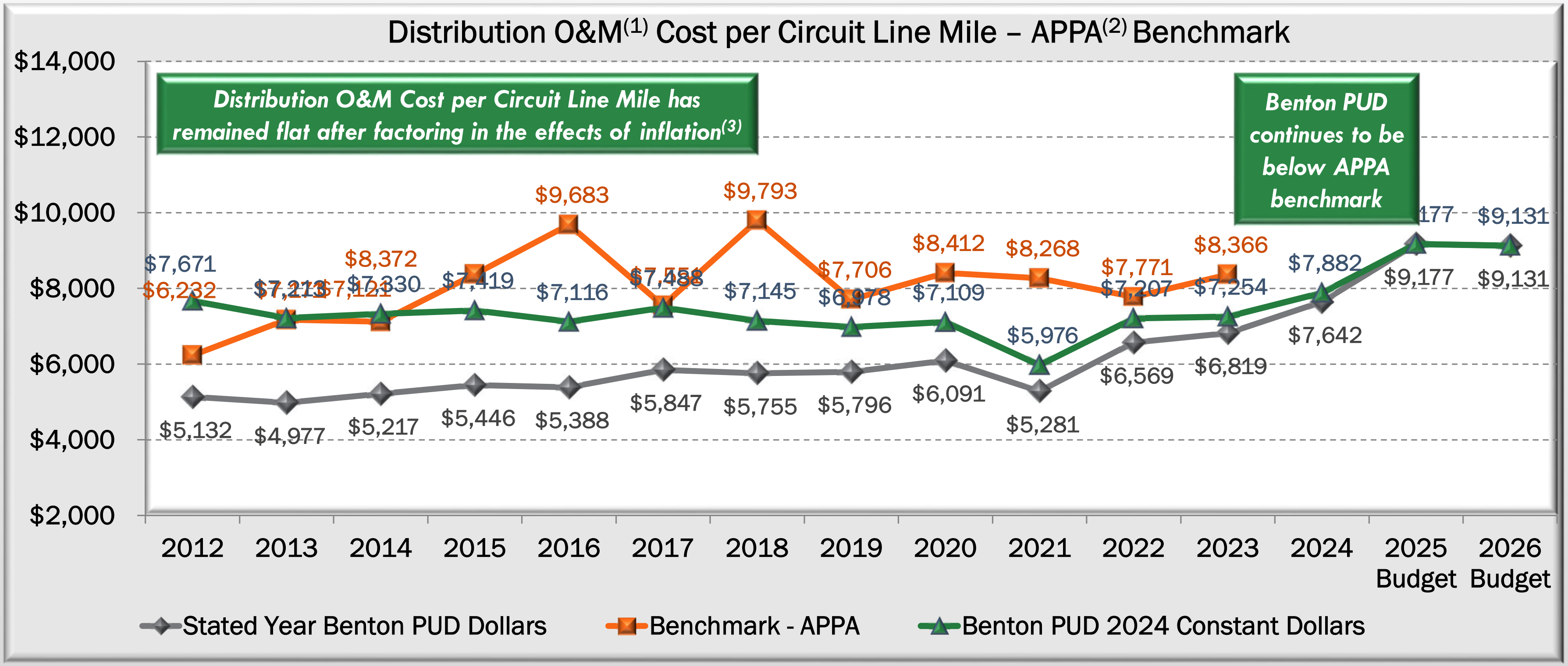


-Annualized PERS cost included in chart is based on current labor multiplied by the annual employer rate

-Rate changes, when implemented, are generally <u>effective July 1 and September 1</u>

1. Plan 1 members' contribution rate is statutorily set at 6.0%. Members in Plan 3 make contributions to a defined contribution plan.

DISTRIBUTION O&M



(1) Distribution O&M only. Excludes Broadband.

(2) American Public Power Association - 2023 median for West utilities.

(3) Inflation rate utilized comes from a producer price index for electric utilities, which on average has been slightly under 3%

Average Retail Rates[1]

2023 Report on Average Revenue (Cents per kWh) [2]

	Residential	Commercial	Industrial	Total
Benton PUD	8.7	6.9	5.6	7.3
WA Publicly Owned	9.9	8.6	5.5	8.3
WA Investor Owned	12.6	12.1	9.2	12.1
WA Cooperatives	9.5	8.3	6.9	8.8
National Average	16.1	12.3	8.3	12.8
California	27.1	22.8	17.4	23.3

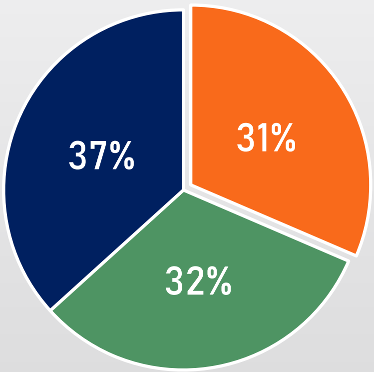
[1] Revenues - includes all charges to customer
[2] American Public Power Association

2025 Residential COSA Results

COSA Costs

COSA Results

- Energy (Variable) = $28.0M
- Demand (Fixed) = $24.0M
- Customer (Fixed) = $24.3M
- Total = $76.3M

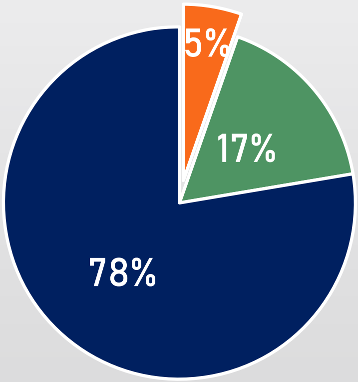


Residential Revenues

Revenue Deficiency: $6.7M
or
9.6% increase needed

Revenues

- Energy (Variable) = $54.1M
- Demand (Fixed) = $3.7M
- Customer (Fixed) = $11.8M
- Total = $69.6M

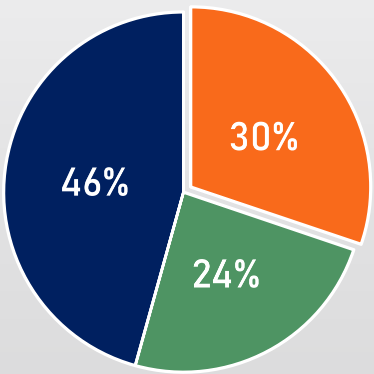


2025 Small General Service COSA Results

COSA Costs

COSA Results

- Energy (Variable) = $5.3M
- Demand (Fixed) = $3.5M
- Customer (Fixed) = $2.8M
- Total = $11.6M

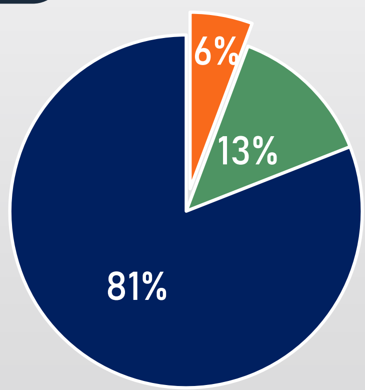


Small General Revenues

Revenue Deficiency: $1.1M
or
10.8% increase needed

Revenues

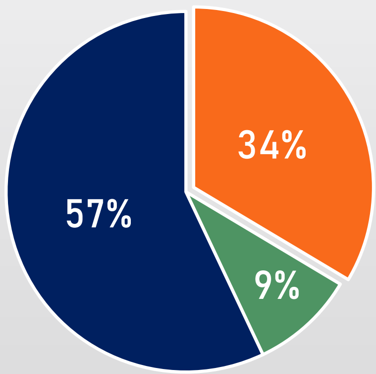
- Energy (Variable) = $8.5M
- Demand (Fixed) = $0.6M
- Customer (Fixed) = $1.4M
- Total = $10.5M



2025 Medium General Service COSA Results

COSA Costs

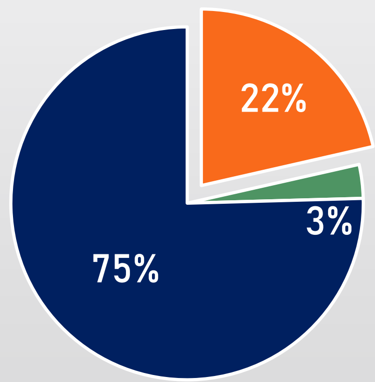
COSA Results
- Energy (Variable) = $8.5M
- Demand (Fixed) = $5.0M
- Customer (Fixed) = $1.4M
- Total = $14.9M



Medium General Revenues

Revenue Surplus: $1.4M
or
8.8% decrease needed

Revenues
- Energy (Variable) = $12.3M
- Demand (Fixed) = $3.5M
- Customer (Fixed) = $0.5M
- Total = $16.3M

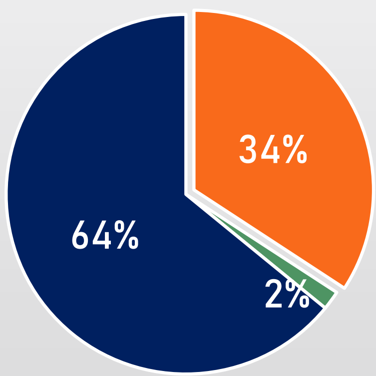


2025 Large General Service COSA Results

COSA Costs

COSA Results

- Energy (Variable) = $7.5M
- Demand (Fixed) = $4.0M
- Customer (Fixed) = $0.2M
- Total = $11.7M

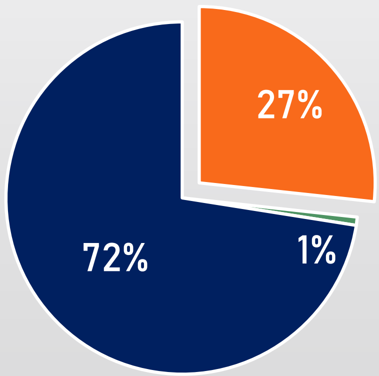


Large General Revenues

Revenue Surplus: $1.4M
or
10.8% decrease needed

Revenues

- Energy (Variable) = $9.5M
- Demand (Fixed) = $3.5M
- Customer (Fixed) = $0.1M
- Total = $13.1M

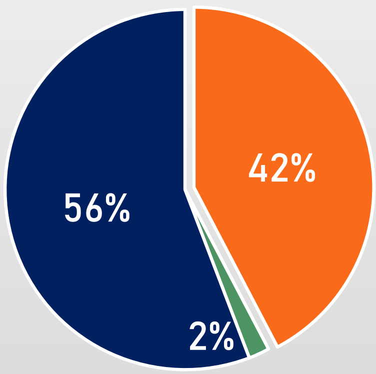


2025 Large Irrigation w/MLC COSA Results

COSA Costs*

COSA Results

- Energy (Variable) = $14.9M
- Demand (Fixed) = $11.3M
- Customer (Fixed) = $0.5M
- Total = $26.7M



***Includes Irrigation Rate Discount revenue received from BPA ~ $3.5M**

Large Irr. w/MLC Revenues

Revenue Deficiency: $3.4M
or
14.7% increase needed

Revenues

- Energy (Variable) = $17.7M
- Demand (Fixed) = $4.7M
- Customer (Fixed MLC) = $0.9M
- Total = $23.3M