

POWER

Years Ended December 31,	2002	2001	2000	1999	1998
POWER COSTS					
Hydraulic generation ^A	\$ 28,983,385	\$ 27,425,917	\$ 28,288,083	\$ 26,746,081	\$ 26,360,001
Steam generation ^{A, B}	—	—	7,521,097	14,664,491	14,963,065
Long-term purchased power ^C	223,668,647	151,213,357	79,304,610	79,984,055	79,999,162
Wholesale power purchases ^D	23,153,996	518,781,800	212,402,254	34,295,550	52,032,908
Power costs amortized (deferred) ^E	100,000,000	(300,000,000)	—	—	—
Owned transmission ^A	7,171,946	6,768,055	5,775,106	6,504,089	5,818,679
Wheeling expenses	31,065,472	21,906,286	18,431,914	16,864,661	16,683,699
Other power expenses	8,147,996	16,143,942	5,504,322	4,508,274	3,716,008
Total power costs	422,191,442	442,239,357	357,227,386	183,567,201	199,573,522
Less short-term wholesale power sales ^D	(112,795,762)	(73,899,346)	(99,168,112)	(53,161,124)	(34,927,269)
Less other power-related revenues ^F	(21,110,534)	(44,303,333)	(11,101,230)	—	—
Net power costs ^H	\$288,285,146	\$324,036,678	\$246,958,044	\$130,406,077	\$164,646,253
POWER STATISTICS (MWh)					
Hydraulic generation ^D	6,891,659	3,941,388	6,405,929	7,764,312	6,160,442
Steam generation ^B	—	—	277,103	689,802	712,095
Long-term purchased power ^C	7,021,059	4,314,580	3,418,245	3,213,813	3,016,515
Wholesale power purchases ^D	898,613	2,431,210	2,459,825	1,159,875	2,198,887
Wholesale power sales ^D	(4,647,945)	(549,147)	(2,230,670)	(2,672,264)	(2,019,502)
Other ^G	(1,240,256)	(1,146,280)	(773,540)	(667,739)	(710,754)
Total power delivered to retail customers	8,923,130	8,991,751	9,556,892	9,487,799	9,357,683
Net power cost per MWh delivered ^H	\$32.31	\$36.04	\$25.84	\$13.74	\$17.59

^A Including depreciation.

^B The Centralia Steam Plant was sold in May 2000.

^C Effective 2000, long-term purchased power includes energy received under seasonal exchange contracts, valued at the blended weighted average cost of power excluding depreciation and transmission.

^D The level of generation (and consequently the amount of power purchased and sold on the wholesale market) can fluctuate widely from year to year depending upon water conditions in the Northwest region. The Northwest experienced a severe drought in 2001. During 2002, 2000 and 1998, the region experienced lower than average water conditions. Conditions were favorable in 1999.

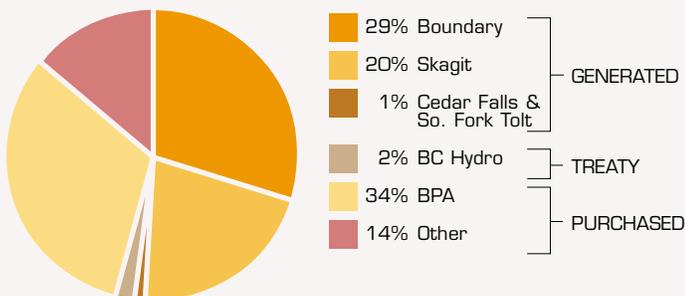
^E Wholesale power purchase costs in the amount of \$300,000,000 incurred in 2001 were deferred to future years. In 2002, \$100 million of the deferred costs were amortized.

^F Beginning in 2000, other power-related revenues include energy delivered under seasonal exchange contracts, valued at the blended weighted average cost of power excluding depreciation and transmission.

^G "Other" includes self-consumed energy, system losses and miscellaneous power transactions. In 1998 and 1999, "other" also includes seasonal power exchanges delivered and received. Effective 2000, seasonal exchange power delivered is included in "other", while seasonal exchange power received is included in long-term purchased power.

^H If power costs had not been deferred in 2001, the net power cost per MWh delivered would have been \$21.10 in 2002 and \$69.41 in 2001.

2002 Sources of Power (in percent of MWh)



2002 Uses of Power (in percent of MWh)

