

IPR Written Questions & Responses

8/15/2024

During the BP-26 Integrated Program Review public comment period, July 2 through Aug. 16, BPA received questions from three stakeholders. BPA responded to these questions on Aug. 9, Aug. 13, and Aug. 15 and provided the following responses and attached supporting documentation.

Northwest Requirements Utilities Questions

1. **Question:** Can you please provide detailed program expense breakouts for Enterprise Services and the CAO organizations? Specifically looking for a table similar to the one below, but updated with BP22 Actuals, BP24 Rate Case, and BP-26 Proposed IPR values in a format similar to IPR expense breakouts provided for Power and Transmission that were shared in the BP-26 IPR Initial Publication Appendix and Detailed Data files.

The table below shows the Enterprise Services expenses, and reflects the actuals for FY 2018 and FY 2019, the final spending levels for the BP-20 rate period, and the proposed spending levels for the BP-22 rate period.

Table 26 Enterprise Services Expense Summary

(\$thousands)	Actuals		Rate Case		Proposed IPR		Avg Rate Case	Avg Proposed IPR
	2018	2019	2020	2021	2022	2023	2020-2021	2022-2023
Information Technology	88,377	96,415	83,220	84,251	100,746	101,241	83,736	100,994
Workplace Services	47,173	52,225	52,038	52,223	51,155	51,354	52,130	51,254
Supply Chain Services	34,850	34,648	37,706	38,490	38,098	38,098	38,098	38,098
Human Resources Service Center	14,175	14,691	16,647	16,955	16,378	16,699	16,801	16,539
Security & Continuity Of Ops	10,706	11,536	10,399	10,490	11,996	12,119	10,445	12,058
Safety	7,157	5,818	6,712	6,836	6,329	6,475	6,774	6,402
Program Management Office	2,800	3,152	4,617	2,094	3,214	3,292	3,356	3,253
Undistributed Reduction	0	0	0	0	-3,400	-3,400	0	-3,400
Chief Administrative Office Subtotal	205,238	218,485	211,339	211,339	224,516	225,878	211,340	225,198
Business Transformation Office	9,010	11,864	17,065	17,168	16,835	16,938	17,117	16,887
Compliance & Risk Management	15,992	16,562	17,464	17,976	16,804	17,316	17,720	17,060
Finance	15,496	14,921	15,451	15,975	14,833	14,833	15,713	14,833
Deputy Administrator Office	18,629	14,267	13,558	13,880	13,178	13,479	13,719	13,329
Chief Operating Office	11,237	11,464	13,633	14,067	13,033	13,467	13,850	13,250
General Counsel	10,593	10,409	11,570	11,998	11,274	11,274	11,784	11,274
Administrator	761	576	944	968	607	619	956	613
Enterprise Services' Total	286,958	298,548	301,025	303,372	311,081	313,804	302,199	312,442

- a. **Answer:** BPA is not providing that same table this IPR, but we have provided a similar table which presents the same information in a slightly different and more summarized format as Table 5A in the [BP-26 IPR Initial Publication Appendix and Detailed Data files](#).
 - i. Table 5A contains the Chief Administrative Office information grouped by major program as well as the other Enterprise Services groupings which are explained in further detail in the [BP-26 IPR Initial Publication](#).



Averages can be determined by adding each of the column sections (Actuals, Rate Case, and Proposed IPR) then dividing by the number of years in each column section.

- b. Also provided in the attached is [Table 7A](#) which provides the detail of the CAO organizations in greater detail in the same format as Table 5A.
2. **Question:** Can you provide detailed data on Information Technology expenses? Similar to the level of detail shared in the last IPR, “[Integrated Program Review: Information Technology, June 16, 2022](#)”.
 - a. **Answer:** Please see the IT chart in the attachment labeled “[BP-26 IPR Comment Period Question Reponses - IT](#)”.
3. **Question:** Can you also provide detailed data for other program areas within Enterprise Services and the CAO organizations with forecast expenses that are increasing by more than 10%, if any? Calculating the percentage increase similar to the method used in table 1 of the BP-26 IPR initial publication.
 - a. **Answer:** Please see the CAO Chart in the attachment labeled “[BP-26 IPR Comment Period Question Reponses - CAO](#)”, the increases for the other Enterprise Services organizations are described in the [BP-26 IPR Initial Publication](#).

Yakama Nation Fisheries Questions

1. **Question:** What are the total planned expenditures across each of the F&W categories? IPR presentations prior to BP-24 used to provide a chart showing funding levels over time (by Rate Case). Can we get a "river of costs" chart for BP-26 as compared with BP-24?
 - a. **Answer:** Please see the attachment labeled “[BP-26 IPR F&W Cost Chart](#)”.
2. **Question:** Are USG commitments for 6S (\$10M/year) and P2IP (\$20M/year) included in the F&W Expense Program? It is unclear what commitments within various agreements are included where (Resilient Columbia Basin Agreement, the Memorandum of Understanding and Mediated Settlement Agreement related to the Phase 2 Implementation Plan, and Accords with the Coeur d’Alene Tribe and the Spokane Tribe of Indians).
 - a. **Answer:** In 2023, BPA made new funding commitments for fish and wildlife. These new agreements include the Resilient Columbia Basin Agreement, the Memorandum of Understanding and Mediated Settlement Agreement related to

the Phase 2 Implementation Plan, and Accords with the Coeur d’Alene Tribe and the Spokane Tribe of Indians. The specific commitments are as follows:

- (1) \$100M (adjusted for inflation) in funding for certain states and tribes, the “Six Sovereigns,” over ten years for projects that contribute to the restoration of salmon and other native fish population.
- (2) \$200M (adjusted for inflation) in funding to three Upper Columbia Tribes over twenty years for implementation of the Phase 2 Implementation Plan (P2IP) to test the feasibility of the reintroduction of anadromous salmonids in blocked habitats above Chief Joseph and Grand Coulee dams.
- (3) \$200M in capital funding to the U.S. Fish and Wildlife Service for Lower Snake River Compensation Plan (LSRCP) hatchery modernization, upgrades, and non-recurring maintenance.
- (4) Long term budget agreements with the Coeur d’Alene Tribe and the Spokane Tribe of Indians.

The commitments in (3) and (4) were incorporated into the IPR cost estimates, and additional information can be located in the [detailed data files](#). The estimated costs for (3) (LSRCP capital) are reflected in Table 6A. Estimated costs for the (4) (long term agreements with Coeur d’Alene Tribe and the Spokane Tribe of Indians) are reflected in Table 3A, row 9 (labeled “Long-term Funding Agreements”). All of the commitments will be incorporated into the revenue requirements in the upcoming power ratemaking process. They will be discussed at the upcoming [BP/TC-26 pre-proceeding workshop](#) on August 27.

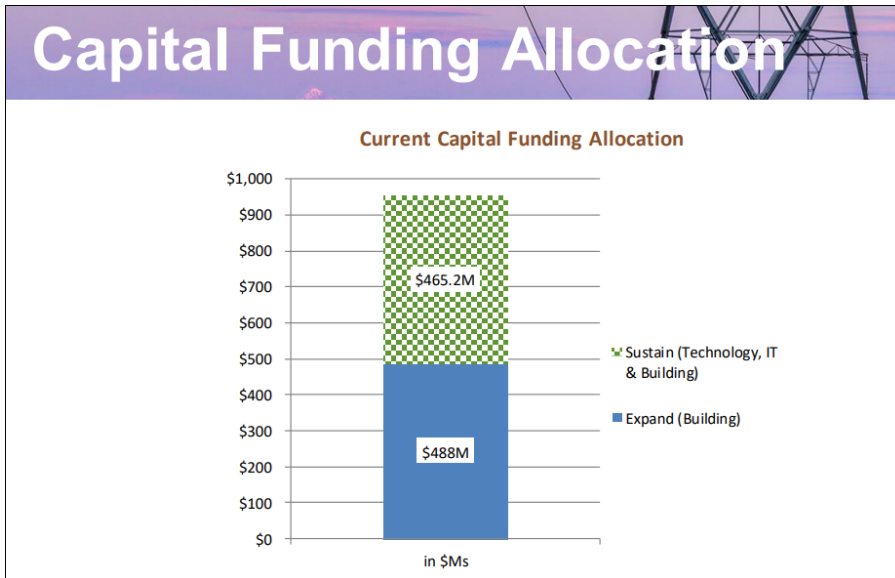
3. **Question:** Is an inflation adjustment provided in outyears for the F&W Expense Program?
 - a. **Answer:** Inflation was a factor in forecasting F&W Expense Program costs. The projected 11% increase, which is the average over the three-year rate period, reflects expected inflationary pressure on the F&W Program over that time. See page 41 of the [BP-26 IPR Initial Publication](#).

Public Power Council Questions

1. **Question:** Could you please confirm whether the assumed spending on the Vancouver Control Center in IPR aligns with the spending forecast which was included in the VCC update presentation given in March (<https://www.bpa.gov/-/media/Aep/projects/vancouver-control-center/2024-meetings/vancouver-control-center-customer-workshop-240313.pdf>)

Current Forecasted Costs													
VCC Current Forecast (\$Millions)	Actuals		Actuals		Rate Case		Rate Case			Rate Case			Totals
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	
Facilities Costs (Capital & Expense)		\$1.4	\$4.2	\$17.4	\$36.8	\$93.6	\$153.7	\$146.1	\$39.7	\$3.9	\$0.0	\$0.0	\$496.6
Transmission Costs (Capital)	\$0.2	\$1.8	\$2.5	\$17.5	\$21.8	\$38.8	\$76.7	\$68.4	\$115.4	\$33.5	\$25.6	\$58.0	\$460.2
IT Costs (Capital)									\$2.5	\$2.5			\$5.0
Total Costs	\$0.2	\$3.2	\$6.7	\$34.9	\$58.6	\$132.4	\$230.4	\$214.5	\$157.6	\$39.9	\$25.6	\$58.0	\$961.8

- a. **Answer:** The information presented in the VCC presentation was aligned with the Facilities, Transmission, and IT [SAMPs](#).
- (1) **Facilities:** Facilities’ forecasts within the BP-26 IPR align with the VCC presentation. Per Facilities’ 2024 SAMP, page 45 last paragraph Facilities’ average expenditures will increase in FY26-FY28 to address Control Center replacement. The VCC represents the bulk of the “Expand” row in table 10.3-1 on page 47 as well as the “Acquisition-Bldg. Replace (NWM)” row in table 10.3-2a on page 48 which align with the presentation numbers in the March presentation.
 - (2) **Transmission:** Transmission’s forecasts within the BP-26 IPR align with the VCC presentation. For further information, please see Transmission’s 2024 SAMP, which references the VCC in multiple areas.
 - (3) **IT:** Per IT’s 2024 SAMP, page 55, Capital Sustain levels for FY28 and FY29 include expenditures for the new Vancouver Control Center as well as migrating the HQ data center to that location.
2. **Question:** Could you please confirm whether the allocation of capital costs between transmission and IPR are consistent with the forecast from that same presentation?



a. **Answer:** Capital funding between Expand and Sustain are also allocated correctly as noted in the VCC presentation and align with the allocation in the SAMP and the BP-26 IPR.

3. **Question:** There seems to be roughly \$10m delta between the Fed Hydro capital budget (& actuals) reported in IPR & FY 22 Q4 QBR vs the USACE + BuREC capital budgets that are reported in the QBR. Here are some examples:

FY 22

	Rate Case	Actuals	Execution
Fed Hydro	\$264,120	\$180,374	68%

	Rate Case	Actuals	Execution
USACE	\$223,331	\$162,988	
BuREC	\$51,612	\$27,306	
Cumulative	\$274,943	\$190,294	69%

FY 23

	Rate Case	Actuals	Execution
Fed Hydro	\$281,260	\$190,912	68%

	Rate Case	Actuals	Execution
USACE	\$236,622	\$40,913	
BuREC	\$55,924	\$166,541	
Cumulative	\$292,546	\$207,454	71%

I am wondering if there is something included in the USACE &/or BuREC budgets that isn't in Fed Hydro

a. **Answer:** The Fed Hydro line shown above is the loaded capital numbers while the numbers for USACE and BuREC shown below are unloaded.

4. **Question:** On Figure 19 in the [BP-26 IPR Initial Publication](#) it appears that there is a section for “Planning Council” and “NW Power & Conservation Council” is there a reason for these items to be shown separately?

a. **Answer:** Thank you for bringing this to our attention. That figure was incorrect and did not align with Table 3-A in the [BP-26 IPR Initial Publication Appendix and Detailed Data files](#). This Figure has been updated and is shown below as well as in the revised [BP-26 IPR Initial Publication](#).

