



**Department of Energy**  
Bonneville Power Administration  
P.O. Box 3621  
Portland, Oregon 97208-3621



In reply refer to: MTM-3

July 16, 2025

To Customers and Interested Parties:

The Bonneville Power Administration is proud to share the results of our Grid Modernization initiative after successfully completing dozens of projects designed to position the agency for success in an ever-changing landscape. BPA developed Grid Modernization in connection with the agency's 2018-2023 Strategic Plan, which balanced the need to modernize system operations and assets with the need to control costs and provide competitive rates.

Through a carefully sequenced body of work carried out over six years, the agency transformed BPA's commercial operations to enhance reliability and optimize performance across power and transmission functions. The result is a more reliable, flexible and efficient system operation.

Importantly, BPA completed this work under budget. With a total program budget from 2019-2023 of \$62.5 million, BPA spent approximately \$49.5 million on the execution of over 30 projects.

#### **The benefits of Grid Modernization**

Many of the projects in the Grid Modernization portfolio enabled BPA's participation in the Western Energy Imbalance Market and will allow the agency to leverage future market opportunities that could lower power costs for retail consumers.

Other projects improved the reliability of the electrical grid, reducing outages and enhancing overall service continuity.

Additionally, the portfolio provided greater real-time grid visibility. Through the use of cutting-edge technologies, such as smart meters and automated systems, this work enabled more efficient monitoring and management of electricity distribution.

Projects also enhanced data-driven decision-making by leveraging data analytics to inform grid operations, improving response times and operational efficiency. And lastly, by focusing on the importance of adaptable infrastructure, our Grid Modernization investments will support BPA's ability to meet changing needs in the future.

#### **A new approach to program management**

From the beginning of our Grid Modernization initiative, BPA recognized that such a large-scale undertaking with numerous project interdependencies would require an unprecedented level of cross-agency support and coordination. BPA created the Business Transformation Office in 2016 for this very purpose.

In addition to providing a central point of oversight, the BTO adopted a structured approach to program management, starting with thorough scoping and prioritization. The BTO also developed enterprise architecture practices that link business operations and processes with information technology, all while establishing a disciplined approach to change management.

Stakeholder engagement was also important to the successful execution of our Grid Modernization portfolio. Strong engagement from both the Power and Transmission business lines were key to execution success. In addition, through collaboration with various stakeholders, including utility customers and regulatory bodies, the agency aimed to ensure these modernization efforts met the needs of the communities BPA serves.

### **Looking ahead**

Of the original 35 planned projects, three are still in the final stages of execution (expected to conclude by the end of 2028), two have been transferred to the business lines and the rest have been completed. BPA transferred the management of three longer-term projects and their associated costs to Power Services and Transmission Services, freeing up the BTO to take on the next portfolio of work, which includes day-ahead market implementation and Corporate Modernization. Additionally, BPA chose to transfer two projects from the Grid Modernization portfolio to Transmission Services: Real Time Operations Modernization, which aims to enhance visualization and situational awareness in control center locations and Wildfire Risk Modeling Tools, which will implement a real-time wildfire modeling tool once completed.

In alignment with its 2024-2028 Strategic Plan, BPA launched Corporate Modernization – a set of projects aimed to improve the efficiency, accuracy and flexibility of foundational internal business systems and processes. These enhancements will support our ability to deliver reliable, resilient and competitive power and transmission services as the electricity industry landscape continues to change.

Based on our experience managing the Grid Modernization portfolio, BPA is fine-tuning and standardizing our program management approach.

I'd like to thank the many members of BPA's workforce who worked tirelessly to achieve our Grid Modernization objectives. I also appreciate the engagement of stakeholders and partners who contributed to our success along the way.

On behalf of all of us at BPA, we look forward to working with you as we continue advancing market participation and take on other initiatives associated with our 2024-2028 Strategic Plan to preserve reliability, respond to changing customer needs, and strengthen grid resilience.

Sincerely,

A handwritten signature in blue ink, reading "Nita Zimmerman". The signature is fluid and cursive, with the first name "Nita" and last name "Zimmerman" clearly legible.

Nita Zimmerman  
Chief Business Transformation Officer