

Business Transformation Process Results

BPA's Energy Efficiency organization recently completed a comprehensive organizational review to examine the scope of its IT systems, specifically the Northwest Efficiency Depot (NED), and to determine how best to align the organization to address critical business needs and re-launch a system development project. The report determined that Energy Efficiency is generally well positioned but recommends some key areas to focus and improve to help support a successful system development project and ongoing operational effectiveness for the organization. Below are highlights and recommendations from the report:

Create a Formal Program Management Role

The report stressed that Energy Efficiency needs to implement an empowered program manager for overseeing the implementation of organizational, process, and technology work-streams including IT systems. Responsibility for EE's systems (inclusive of reporting, budget management, and data archiving), was handled throughout the organization with no one individual providing strategic oversight over the development and maintenance of these systems. This led to a lack of integration and misalignment with business needs. To address this, energy efficiency will create a new senior-level position and function within the organization to provide broad oversight and leadership to re-launch development and to address the use of existing and new systems.

Ensure Dedicated Personnel are in Place

The report identified a number of gaps and inconsistencies with the approach BPA staffed the development of the NED project. Primarily there was a reliance on an already fully committed staff to contribute to the NED project without adjusting or reducing their existing responsibilities. Once development resumes, BPA will staff this project with dedicated personnel and reduce their other responsibilities to allow time to focus on the project.

Manage Change Control

A second problem identified during this process was an inconsistent approach to change control and change management. Before restarting development, Energy Efficiency will adopt a formal change control process to guide how decisions are reviewed and approved to alignment throughout the organization.

Project Scale and Scope

This analysis re-affirmed that the system requirements developed for NED were complete and will continue to be useful when Energy Efficiency re-engages in system development, assuming the current program model remains constant.

Timeline Going Forward

In the recent Integrated Program Review (IPR) 2 process, customers asked BPA to examine every aspect of its delivery model to ensure the agency's long-term cost effectiveness. To support that request, BPA will launch a regional conversation on its delivery model this fall which will include discussions around the agency's approach to energy efficiency.

Before proceeding with any major system development work on a regional reporting system, Energy Efficiency is considering holding off on a full re-launch of NED development work until the agency and its customers align on the power delivery direction. The timeline for this engagement has not yet been determined. In the meantime, Energy Efficiency will proceed with the internal structure and process recommendations to get ready for any



system re-launch. BPA will continue to maintain IS 2.0 as long as necessary and customers will continue to use their current energy efficiency reporting processes.

We welcome your feedback on this approach and we encourage you to participate in this important conversation to come. We will provide more details on this regional engagement as they become available.