

**Question: Please explain the Business Support program fluctuations in Executive and Administrative Services, General Administrative, and Aircraft Services line items.**

Executive and Administrative Services

- In 2009 \$1.2M moved from General Administrative to Executive and Administrative Services as a true up from Transmission Engineering and Transmission Asset Performance organizations based on work reflective of the program.
- In 2009 \$1.4M for Asset Management staff / support was placed under Executive and Administrative Services program.
- In 2010 the program increased by \$1.8M due to reorganization of the students taking them out of multiple expense programs within Transmission and moving the budgets and actuals into the Executive and Administrative Services program.

General Administrative

- In 2009 \$4.3M for all performance awards were removed from the program.
- 2010 & 2011 – \$1.9M for discretionary awards as well as \$2.1M for performance awards were restored and are reflected in the budgets.
- 2012 – \$4.3M for discretionary, performance, team share and success share are added into the dollars and carried forward with inflation into 2013.
- In 2012 and 2013, \$5M added for property insurance premiums.

Aircraft Services

There are several changes that occurred in Aircraft Services in 2010 since it was the first full budget submission submitted by the new aviation manager with a comprehensive analysis including the budget impacts due to aviation program growth with increased flight hours. The flight hour goals are based on improved aircraft scheduling, more emphasis on meeting customer needs, management implementation of best business practices, and analysis of organizational needs.

Starting in 2010 the following were added-- two term airplane pilots, fuel and maintenance budget levels were aligned with 1,020 airplane flight hours, market fuel prices, increased airplane replacement parts due to scheduled maintenance (aircraft no longer under warranty), Portland hangar refurbishment to improve aircraft parts storage, work force accommodation, and improve workflow, and charter aircraft costs.

Aircraft budgets are not stagnant due to the scheduled replacement of parts and components. The projections vary as much \$1.5M due to scheduled aircraft maintenance that can not be deferred by FAA regulation. The post 2011 projections are based on the 2009/2010 version of the Conklin deDecker Life Cycle cost analyzer. This software is the Federal and Civil aviation industry's standard for conducting budget analysis of flight programs.