

What is driving the need for increased resources? Internal Business Services: FY09 Actuals compared to FY12 Forecast

Explanation of \$45.8M

Department	2009 Actuals	2010 SOY	2011 Rate Case	2011 IPR	2012 IPR	2013 IPR	2012 IPR v. 2009 Actuals	Explanation of Increase From FY09 to FY12 IPR
IBS (Front Office)	\$473,547	\$1,084,333	\$786,997	\$874,451	\$892,621	\$908,258	\$419,074	<ul style="list-style-type: none"> • FY09 was low due to consciously delaying fully resourcing BPA's sustainability program and cross-IBS support of business continuity. Both of these delays had consequences – lack of integration across IBS in sustainability actions and required reporting, and lack of integration in business continuity which required inefficient re-work. • FY10 and beyond reflects partially resourcing BPA's established sustainability goals (consistent with required compliance with Executive Order 13514 and 13423). • FY10 and beyond reflects resourcing cross-IBS business continuity management. • FY10 and beyond reflects a small budget to bring in outside "corporate services" benchmarking and other organizational improvement activities.
Business & Process Analysis	\$0	\$257,015	\$0	\$1,241,793	\$1,442,467	\$1,468,290	\$1,442,467	<ul style="list-style-type: none"> • FY11 and beyond reflects resources to internalize EPIP functions for the agency and to set up a program to deliver increased efficiencies, continuous improvement and operational excellence. • Reallocation of staff (roughly 5 people) from other IBS organizations (predominately IT and HCM who are currently capitalized/expensed under an IT project – and were in FY09) along with consulting resources for external expertise to support the implementation of business process management, leveraging already purchased automation, and increasing performance in key agency services. This was a project was approved and deployed consistent with the HR-Staff Management EPIP – savings resulting from the success of this project are reflected in the HCM and Workplace Services budgets.
Safety	\$2,214,061	\$2,497,335	\$2,478,586	\$2,577,130	\$2,647,346	\$2,701,779	\$433,285	<ul style="list-style-type: none"> • FY09 actuals were low due to one position not being filled to reduce costs. This resulted in less than needed safety program support. • FY10 and beyond reflects the addition of a contract resources to support Transmission capital infrastructure expansion to review safety and oversee elements in contracts
Human Capital Management	\$15,004,532	\$18,035,368	\$17,344,046	\$18,387,532	\$19,544,538	\$19,361,765	\$4,540,006	<ul style="list-style-type: none"> • Awards budget for People to People and Length of Service transferred from Administrator's Office to HCM. (~\$800k) • Workers Compensation credit of nearly \$600k resulted in unusually low expense in FY09. FY12 forecast is in line with expected expenditures. (~\$900k) • Staffing levels held intentionally low in FY09 in anticipation of full implementation of new service delivery model (with adverse consequences for service delivery including protracted time-to-fill, delayed training registrations and reduced response to performance and discipline case load). • FY12 staff levels reflect EPIP levels plus additional contract resources to temporarily offset the lack of automation that EPIP levels were based on and development and delivery of Talent Management Strategy. (~\$1.8M) • Training for the significant investment in new (Regional Dialogue, TPIP, etc.) and enterprise (Financial, HR, Supply Chain) IT systems is necessary in order to maintain the value of the systems and address knowledge transfer. (~\$600k)

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Supply Chain Services	\$17,851,814	\$23,000,000	\$20,719,854	\$21,468,414	\$22,272,482	\$22,867,222	\$4,420,668	<ul style="list-style-type: none"> • In FY09 was relatively low due to aggressive actions to reduce expenditures: All CFTE hours cut 20% for last 4 months of the fiscal year, CO vacancies were not filled and work deferred to FY10 for completion. This resulted in unmet expectations by program areas (e.g., T, EE, F&W, IT) • FY12 provides for the > 250% Transmission capital infrastructure expansion and the expansion the F&W and EE programs as well as the expansion of the Technology Innovation program and increase in IT investments. • FY12 reflects a restructured model whereby federal COs lead with support from contractors • FY12 reflects forecasted increases in fleet usage to accommodate T program growth (miles used)
Security & Emergency Response	\$7,007,742	\$7,590,487	\$7,832,315	\$8,668,050	\$8,975,665	\$9,012,059	\$1,967,923	<ul style="list-style-type: none"> • Contract oversight and technical staff support of increased security systems required by NERC and DOE, including: <ul style="list-style-type: none"> ○ Physical security upgrades ○ System maintenance ○ Recurring background investigations ○ Development and coordination of policies, inspections and related liaison ○ Performance assurance • Net one additional security officer support for Alarm Monitoring Station to meet NERC CIP requirements (went from 30 to 90 monitored sites). • Additional security officer for critical site (Munro Control Center) access controls and inspections as required for risk mitigation.
Workplace Services	\$29,911,509	\$40,176,738	\$47,213,170	\$51,738,457	\$52,881,794	\$53,530,953	\$22,970,285	<ul style="list-style-type: none"> • +\$4.9M: GSA lease rate increases for the 905 and 911 buildings of \$4.5M year beginning in FY11, increases in Van Mall leases and Utilities totaling \$0.4M • +\$17.1M: Facilities Asset Management program condition assessment deficiencies identified and out year funding are planned to address those deficiencies, e.g., building upgrades like roof replacements, HVAC, pavement, plumbing, and seismic strengthening. Also included is funding for expense costs associated with capital projects of \$2.7M. • +\$1.0M: FY12 reflects funding to support Business Continuity, a much larger Facilities Asset Management program relative to FY09, and a greater emphasis on supporting our critical facilities.
Information Technology	\$60,574,453	\$69,036,394	\$67,547,071	\$68,831,671	\$70,224,503	\$71,902,311	\$9,650,050	<ul style="list-style-type: none"> • Doubling of capital work plan from FY09 to FY11 to support Regional Dialogue (REV) and TPIP programs resulted in project expense costs (planning, contracting, etc) increasing by approximately \$2M. • Delivering new projects is resulting in increased net benefits to the Agency while IT annual supports costs are projected to rise by \$5M from FY09 to FY12 (annual maintenance is averaging approximately 18–22% of capital investment) • Desktop refreshes were placed on hold from FY08 through FY10. Resuming refreshes for desktop, laptop and network printers increases expense costs by approximately \$2.5M. 82% of laptops and 59% of desktops are already beyond their refresh cycle which increased emergency replacement and O&M costs.
IBS Total	\$133,037,658	\$161,677,670	\$163,922,039	\$173,787,498	\$178,881,416	\$181,752,637	\$45,843,758	