Crosswalk of Costs Moved to Other Categories

Additional Detail Request

A crosswalk of costs that have moved to other categories within Transmission’s programs in IPR16 was provided as part of the June 23rd Transmission Workshop follow-ups and was posted on July 1 to the IPR website. A request was received to provide further detail of the crosswalk since the changes do not net to zero. Not all the cost shifts net to zero but are netted with other costs. The next page shows the original crosswalk of the cost shifts within Transmission programs followed by a further break out of all the costs that make up the BP16/IPR-16 delta in each program. In most cases, only a portion of the deltas are related to cost shifts and these have been identified by color coding those costs outlined in the detail. Cost shifts related to proposed budget moving among programs, and cost shifts related to the changes in the Corporate Agency Services costs charged to Transmission via the Agency Services allocation versus direct charging, have been identified separately in the detail provided.
### TRANSMISSION SERVICES - IPR16

**CROSSWALK OF COST SHIFTS WITHIN TRANSMISSION PROGRAMS**

($ in Thousands)

<table>
<thead>
<tr>
<th>Proj L2 Descr</th>
<th>Proj L3 Descr</th>
<th>Proj L4 Descr</th>
<th>BP16 Ave</th>
<th>FY18/19 Ave</th>
<th>BP16 /IPR</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRANSMISSION OPERATIONS</td>
<td>SYSTEM OPERATIONS</td>
<td>INFORMATION TECHNOLOGY</td>
<td>10,468</td>
<td>6,050</td>
<td>(4,418)</td>
</tr>
<tr>
<td>TRANSMISSION OPERATIONS</td>
<td>SYSTEM OPERATIONS</td>
<td>STRATEGIC INTERGRATION</td>
<td>7,539</td>
<td>1,426</td>
<td>(6,113)</td>
</tr>
<tr>
<td>MARKETING</td>
<td>BUSINESS STRATEGY AND ASSESSMENT</td>
<td>BUSINESS STRATEGY AND ASSESSMENT</td>
<td>7,231</td>
<td>23,280</td>
<td>16,049</td>
</tr>
<tr>
<td>BUSINESS SUPPORT</td>
<td>BUSINESS SUPPORT</td>
<td>LEGAL SUPPORT - EXPENSE</td>
<td>3,440</td>
<td>1,754</td>
<td>(1,686)</td>
</tr>
<tr>
<td>TRANSMISSION ENGINEERING</td>
<td>SYSTEM ENGINEERING</td>
<td>TRANSMISSION SYSTEM DEVELOPMENT PLANNING &amp; ANALYSIS</td>
<td>16,612</td>
<td>22,133</td>
<td>5,521</td>
</tr>
<tr>
<td>BPA INTERNAL SUPPORT</td>
<td>GEN &amp; ADMIN/SHARED SERVICES</td>
<td>CORPORATE OVERHEAD-EXP</td>
<td>63,835</td>
<td>81,794</td>
<td>17,959</td>
</tr>
</tbody>
</table>

**Drivers for the change:**

**TRANSMISSION OPERATIONS**

- **SYSTEM OPERATIONS**
  - INFORMATION TECHNOLOGY
    - Drivers for the change:
      - Shift from direct charging to G&A allocation
        - (7,634) Less dedicated Transmission IT projects and increasing the allocation - main drivers: moving to cloud based services and cyber security
      - Stand up of the new Transmission Technology org
        - 1,000
      - IG response - data migration from LIS to Enterprise system
        - 1,700
      - Realignment of budget from other Transmission programs to support Transmission dedicated IT work
        - 516
    - Total Change in Program
      - (4,418)

- **SYSTEM OPERATIONS**
  - STRATEGIC INTERGRATION
    - Drivers for the change:
      - Redeploy EIM costs to Comm Ops KSI in Marketing - Business Strategy & Support
        - (6,131)
      - Transmission program cost for strategy support
        - 18
    - Total Change in Program
      - (6,113)

- **MARKETING**
  - BUSINESS STRATEGY AND ASSESSMENT
    - Drivers for the change:
      - Reduction from staffing slow down
        - (2,181)
      - Asset Management KSI
        - 1,450
      - Comm Ops KSI
        - 3,729
      - Comm Ops KSI
        - 13,021
      - Sub-total - Comm Ops KSI
        - 16,750
      - LTRF KSI staffing
        - 30
    - Total Change in Program
      - 16,049

- **TRANSMISSION ENGINEERING**
  - SYSTEM ENGINEERING
    - TRANSMISSION SYSTEM DEVELOPMENT PLANNING & ANALYSIS
      - Drivers for the change:
        - Columbia Grid - Was previously direct charged from Corporate business support pool to the Strategic Integration Program
          - 2,402 Reflects transferring Columbia Grid coordination from Corporate to Transmission
        - Corporate Allocation for Columbia Grid
          - 1,000
        - Special Salary rate increase for Engineers working in this program
          - 2,119
      - Total Change in Program
        - 5,521

- **BPA INTERNAL SUPPORT**
  - GEN & ADMIN/SHARED SERVICES
    - CORPORATE OVERHEAD-EXP
      - G&A Increase
        - 17,959
      - Offset by shift from direct charging to G&A Allocation:
        - Shift from programs indicated in blue above
          - (9,319)
        - Shift from other Transmission programs based on updated cost drivers
          - 1,534
      - Total Net Increase in Agency Services Cost Allocated to Transmission
        - 10,174

This information was made publicly available on July 26, 2016, and contains information not sourced directly from BPA financial statements.