Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

FREEDOM OF INFORMATION ACT PROGRAM

June 13, 2016

In reply refer to: FOIA #BPA-2016-00743-F

Attn: Jacob Gellman
McCullough Research, LLC
3816 SE Woodstock Blvd
Portland, OR 97202

Mr. Gellman:

This is a final response to your request for Bonneville Power Administration (BPA) records under the Freedom of Information Act (FOIA), 5 U.S.C. § 552. Your request was received in our office on April 4, 2016, with an acknowledgement letter sent to you on April 15, 2016.

You requested:
"This request is for all drafts and final versions of PowerPoint presentations given by Energy Northwest CEO Mark Reddemann and Energy Northwest CNO Brad Sawatzke at board meetings and executive board meetings since July 1, 2015."

Response:
We conducted a search of Power Services' Contract Generating Resources records and located 20 pages of material responsive to your request. We are releasing these records in full.

You agreed to pay all fees associated with this request. Fees totaling $279.91 were incurred in searching for responsive records. You will be billed separately for that amount.

Appeal:
You may still seek administrative appeal pursuant to Department of Energy FOIA regulations at 10 C.F.R. § 1004.8 if you feel the search was not adequate. If you choose to appeal, you must do so in writing within 30 days, and include the following information:

(1) The nature of your appeal - denial of records, partial denial of records, adequacy of search, or denial of fee waiver;
(2) Any legal authorities relied upon to support the appeal; and
(3) A copy of this determination letter.

Clearly mark both your letter and envelope with the words "FOIA Appeal," and direct it to the following address:

Director, Office of Hearings and Appeals
Department of Energy
1000 Independence Avenue SW
Washington DC 20585-1615

I appreciate the opportunity to assist you. If you have any questions, please contact Kim Winn, Case Coordinator, at 503-230-5273.

Sincerely,

C. M. Frost
Freedom of Information/Privacy Act Officer

Enclosure: Responsive documents

INTRODUCTION

Mark Reddemann
Chief Executive Officer
March 22, 2016

Predictability & Value

- Predictability of our Long Range Plans
  - Columbia's Operations and Maintenance (O&M) budget meets last year's forecast for Fiscal Year (FY) 2017
    - Reduced O&M direct expenses by 2.8% ($5.2 million)
    - Absorbed 2.8 % increase in allocations mostly due to medical and Public Employee Retirement System rate increases
  - Capital meets last year's forecast for FY 2017
- Value
  - Reliable Operations
  - Efficiency Improvements
  - Cost Reductions

Managing Our Balance Sheets

- Continue Bond Principal Payments on Net-Billed Projects
- Continue Columbia Capital Financing

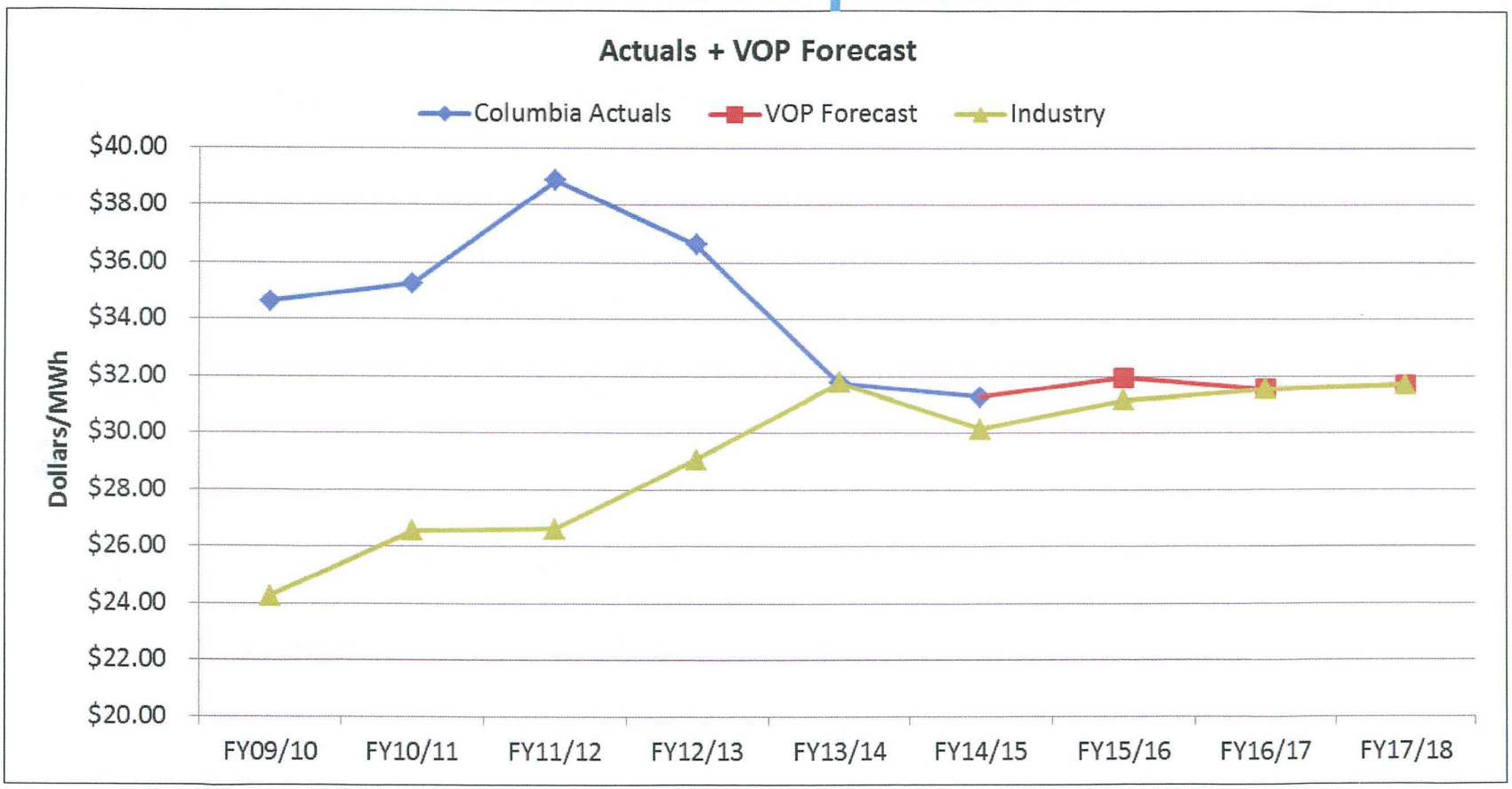
Looking Forward

- Continued Investment in Columbia Equipment Reliability
- Continued Focus on Current Business Opportunities
  - Demand Response Pilot #2
  - Utah Associated Municipal Power Systems
  - Solar
- Meet the Members' Needs for Professional and O&M Services
- Budget Provides Competitive Compensation to both Attract New and Retain Existing Employees

Supporting Regional Challenges

- Cost Control and Competitiveness
  - Plan to move towards Tier 1 rates
  - Staying within the Long Range Plan
  - Efficiency improvements
  - Utilizing benchmarking
- Regional Cooperation Debt
- Energy Diversification
  - Small Modular Reactors
  - Exploring other renewable technologies

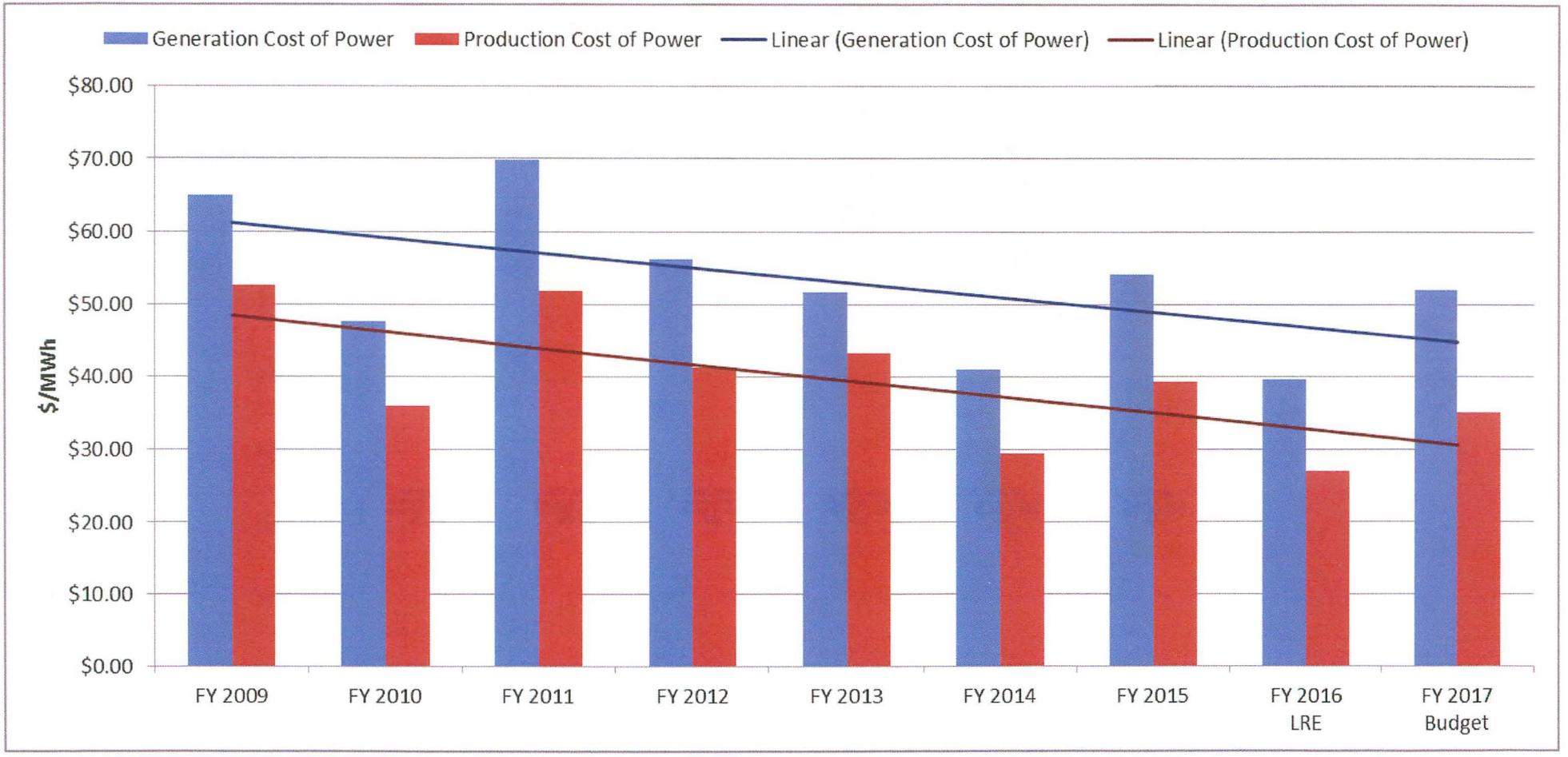
Value Optimization Program (VOP) Cost of Power Comparison



Cost of Power

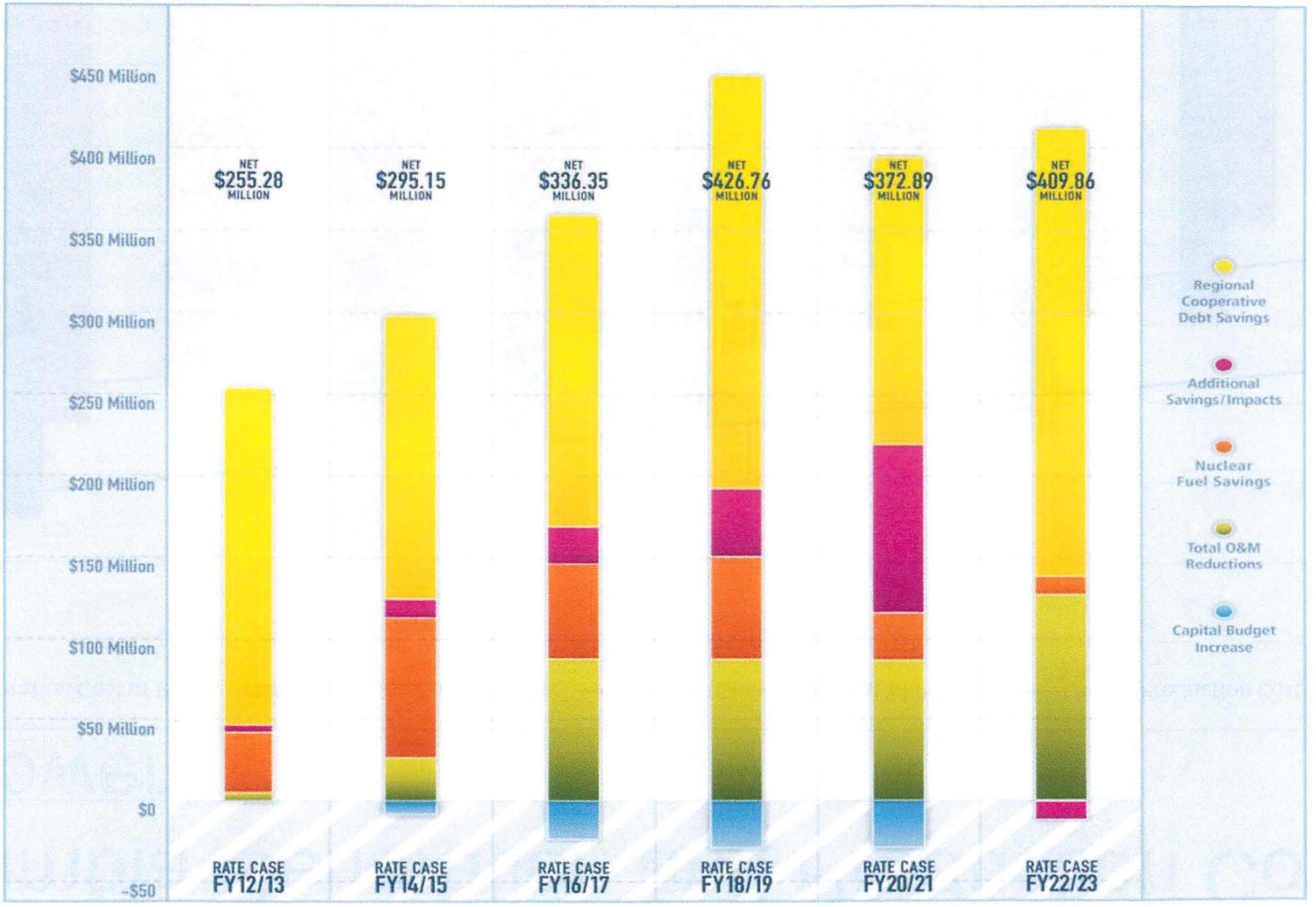
Category	FY14/15	FY15/16	FY16/17	FY17/18
Industry	$ 30.15	$ 31.15	$ 31.55	$ 31.70
Current VOP Status	**$ 31.27**	**$ 31.96**	**$ 31.55**	**$ 31.70**

Columbia Generation and Production Cost of Power

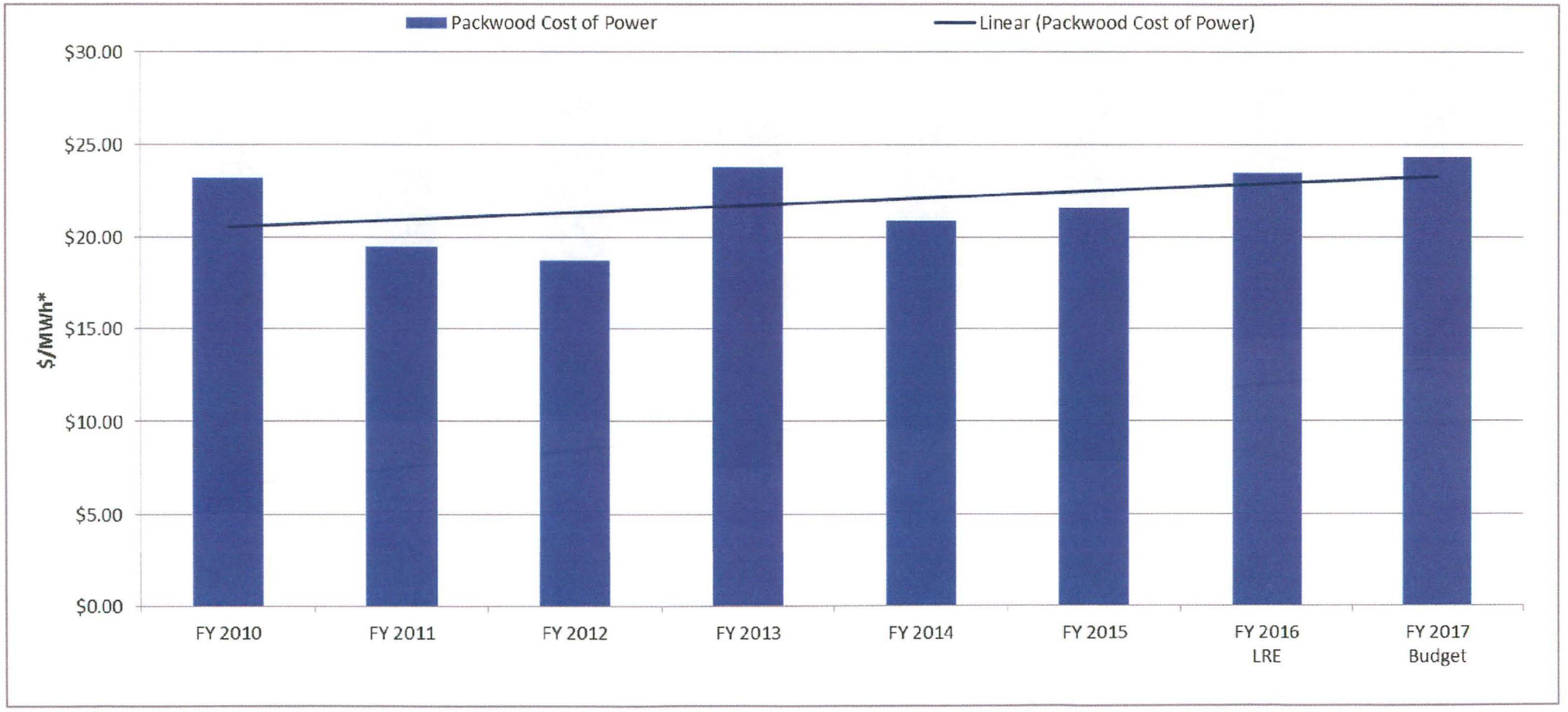


Amounts are in FY 2017 Dollars
Production Cost = O&M +O&M A&G+ Fuel/Generation
Generation Cost = O&M + Capital + A&G + Fuel/Generation

Total Regional Savings - $2.1 Billion

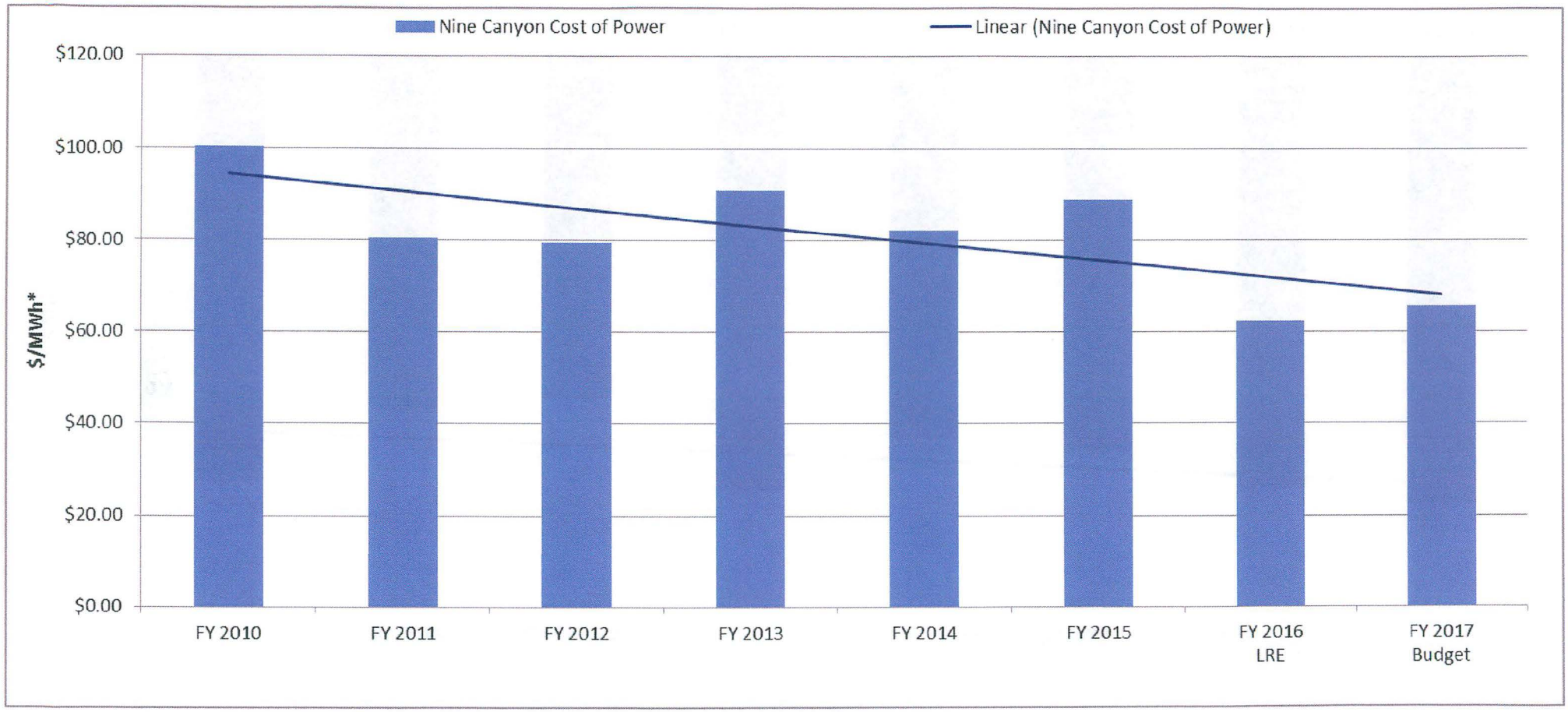


Packwood Cost of Power*



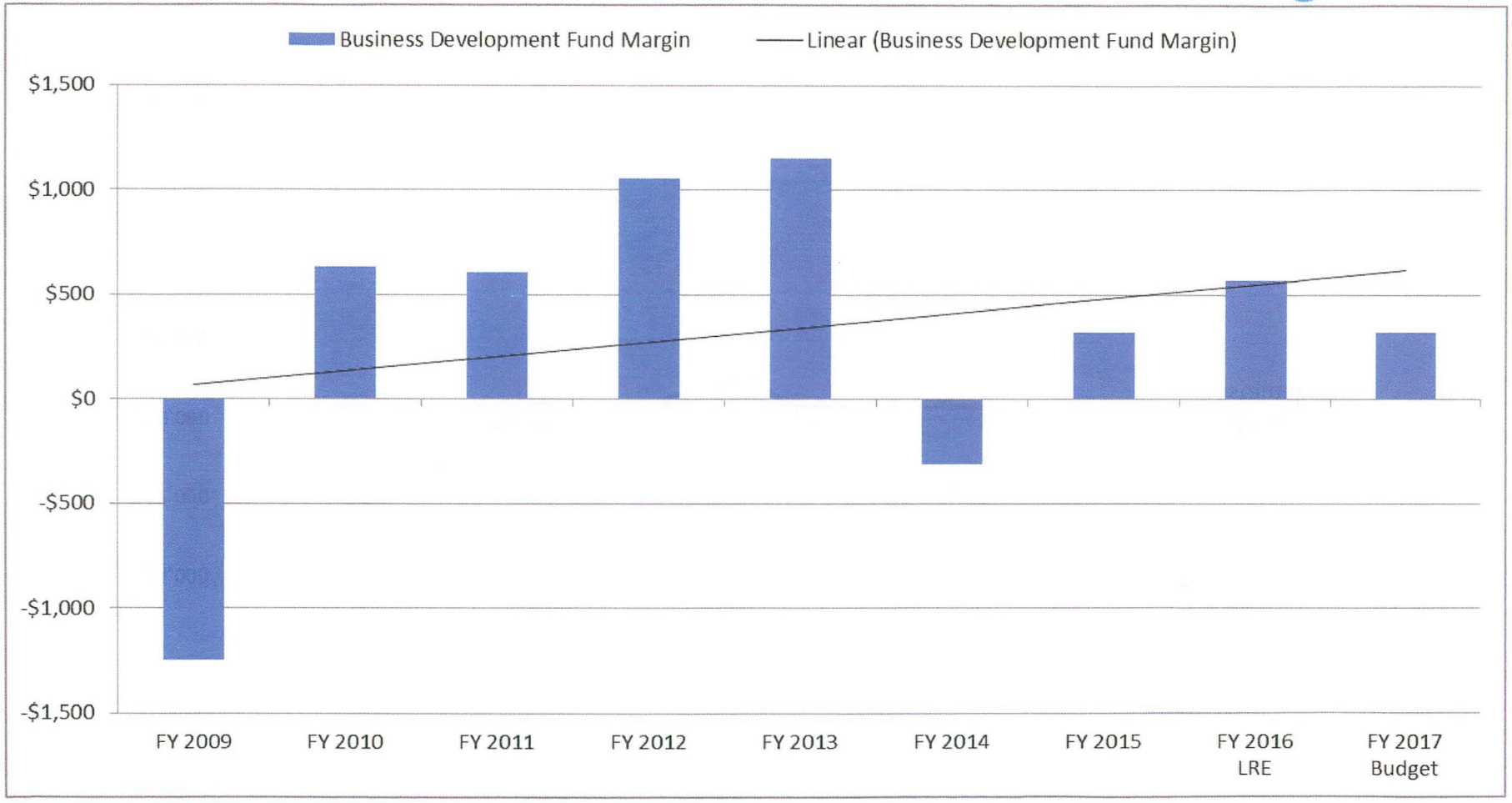
*Amounts in 2017 Dollars, the Cost of Power calculation includes O&M Costs, Generation Tax, Depreciation, and Treasury Related costs.

Nine Canyon Cost of Power*



***Amounts in 2017 Dollars, the Cost of Power calculation includes O&M Costs, Generation Tax, Depreciation, Decommissioning, and Treasury Related costs.**

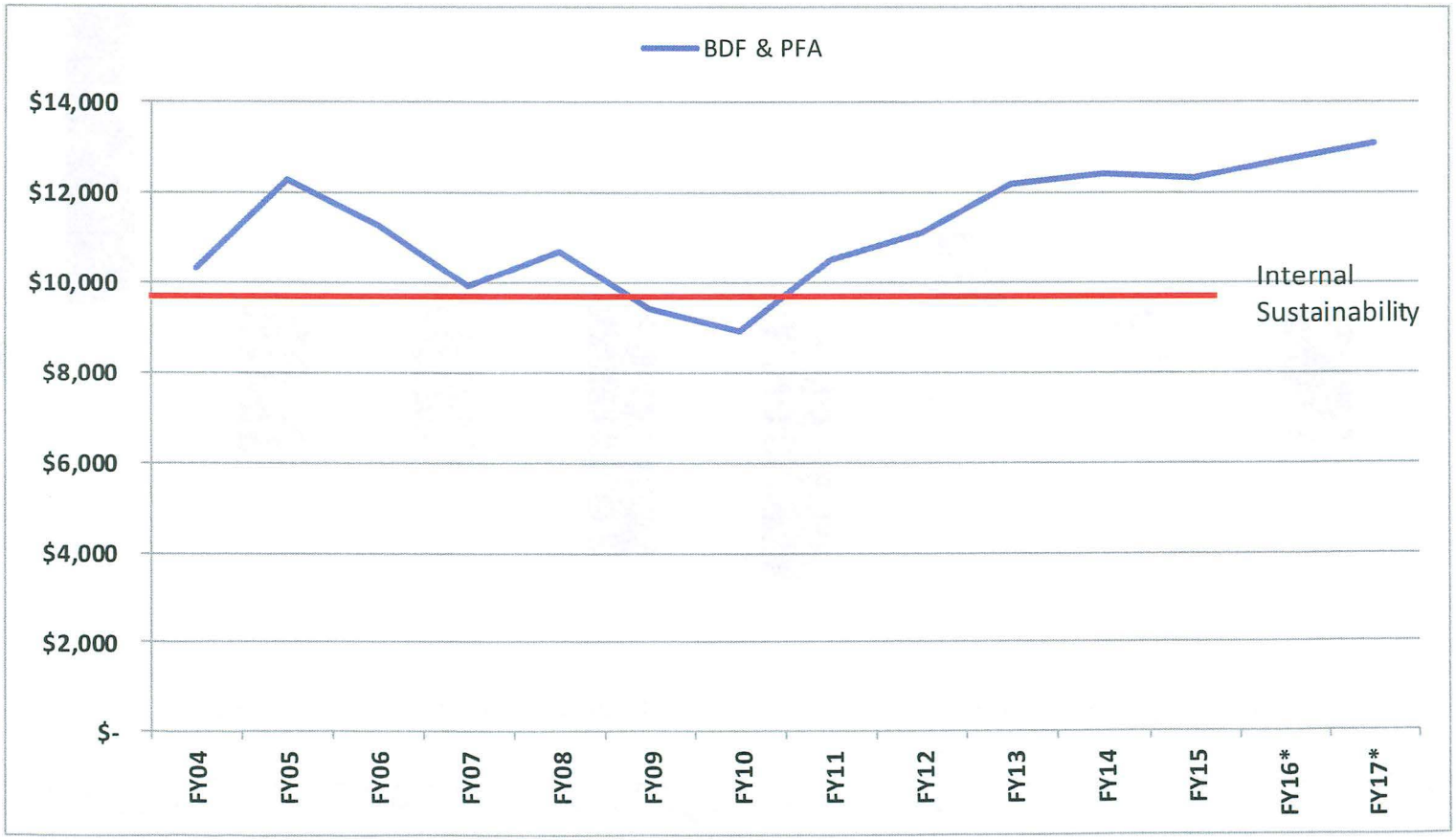
Business Development Fund Margin*



*Amounts have not been escalated , does not include capital expenses

( ) Unfavorable

Business Development Fund and Performance Fee Fund Balances
(Dollars are in Thousands)



*FY16 and FY17 are Projected

- Questions
- Commitment Recap
- Presentation Feedback

FISCAL YEAR 2017 BUDGET AND LONG-RANGE PLAN COLUMBIA GENERATING STATION

Brad Sawatzke – Chief Operating Officer
Kent Dittmer – Asset Manager/Controller
Cristina Reyff – Business Planning & Risk Manager
Johnathan Hicks – Budget Supervisor
March 22, 2016

MANAGEMENT OVERVIEW COLUMBIA GENERATING STATION

Brad Sawatzke
Chief Operating Officer/Chief Nuclear Officer
March 22, 2016

Presentation Purpose

Information

The purpose of this presentation is to review with the Executive Board, Board of Directors and Participant's Review Board the proposed Fiscal Year (FY) 2017 Columbia Budget and Long Range Plan.

Management Overview

- Columbia Regional Value
  - Base load resource
  - Firm capacity
  - Risk mitigation
- Value Optimization Project
  - Met original target of top quartile compared to peer group
  - Setting new regional target
- People
  - Adequate resources to ensure competitive compensation package to attract new employees and retain existing employees

Management Overview (continued)

- Equipment Reliability Focus
  - Engineering continuing to focus on Long-Term System Health and Life Cycle Management (10 year plan)
  - FY17 – FY19 capital & O&M project resource levels are adequate (planning underway)
  - FY20 – FY43 capital resource level challenges
    - Capital funding levels significantly reduce
    - Public Employee Retirement System contributions continue to increase which challenges capital & O&M resources
- Sustaining Excellence Focus
  - Strong Governance and Oversight
  - Predictable Long-range Planning and Execution
  - Risk Management is Core Business
  - Cost-effective Operation
  - Successful Outage

Management Overview (continued)

- Regulatory Mandates Continue to Demand Resources
  - Fukushima
  - Cyber Security
  - Security