

# BPA Policy 130-4

## Functional Statement for Office of the Deputy Administrator

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## 1. Office of the Deputy Administrator

Office of the Deputy Administrator reports to the Administrator/Chief Executive Officer (CEO), and acts in his/her absence. The Deputy Administrator is a principal Bonneville Power Administration (BPA) executive and policy advisor to the Administrator/CEO and is a Shared Senior Officer, under Federal Energy Regulatory Commission (FERC) Standards of Conduct (SOC) rules. The Deputy Administrator is responsible for leadership, strategic planning, financial management, legal and regulatory affairs, and public affairs oversight. The Deputy Administrator oversees and provides direction and guidance for program execution and administration to the Executive Vice Presidents, Vice Presidents and Managers of Corporate Strategy, Finance, General Counsel, Communications, and Compliance, Audit and Risk. The functional statements for the Executive Vice Presidents of General Counsel and Finance appear in BPA Policy 130-4 and BPA Manual Chapters 9, respectively.

## 2. Corporate Strategy

The Corporate Strategy group is led by the Vice President, Corporate Strategy and consists of the Strategic Planning and Strategy Integration functions. Its key responsibilities are planning, directing and managing a strategic planning and objectives management program, and developing and coordinating the management of cross-agency strategic initiatives.

A. **Strategic Planning** plans, directs, and manages a comprehensive strategic planning program aligned to meet BPA mission and objectives. Strategic Planning is responsible for planning, developing, and administering programs, systems, and processes which are functionally critical for successful management and for support of BPA's strategic planning program to include, establishing clear BPA strategic direction and an integrated plan to carry out the BPA mission, strategic objectives, and multi-year performance targets that integrate both business and public responsibility goals.

Strategic Planning also serves as the system administrator for the agency's automated performance management system used to track performance toward accomplishing the agency's strategic plan, and developing the agency-wide policies, procedures, and training for the automated performance management system; managing and facilitating the process for business unit preparation and execution of BPA strategic objectives; monitoring "mega-trends" that are developing within the industry, translating substantive implications into recommendations for adjusting and refining the BPA strategic plan; developing and prescribing the BPA process framework for public policy development; and staffing or leading ad-hoc cross-BPA teams on public policy or evaluating topics of strategic BPA interest.

B. **Strategy Integration** develops, directs and coordinates the management of specific cross-agency strategic initiatives, consistent with BPA's mission and strategic objectives, in anticipation of or in response to developments affecting BPA and the electric power industry. They support, through analysis and recommendations, the identification of such

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initiatives by senior BPA executives serving on the Agency Strategy Forum. Strategy Integration also manages BPA’s engagement in North American Energy Standards Board’s (NAESB) establishment of standard business practices, coordinates BPA’s engagement with ColumbiaGrid, or a similar one-utility-like approach to planning and operating the region’s transmission grid, coordinates BPA’s response to national legislation affecting multiple business units, and develops and manages analytical tools to support this function.

**C. Strategy Execution** organization coordinates agency-level strategic initiatives to improve BPA performance through the application of benchmarking and operational excellence disciplines. The organization is divided into two functions, Benchmarking and Operational Excellence (OpEx), which operate both independently and collaboratively on performance improvement projects.

1. The Benchmarking function supports the business units in identifying and analyzing BPA’s performance against top performers and peers, coordinates benchmarking of BPA’s performance to identify gaps, and analyzes the gaps for improvement opportunities. The function develops standardized benchmarking requirements and processes to promote consistency and enhance the integrity of the benchmarking discipline. The function identifies performance metrics to benchmark based upon: agency-level strategy, key performance measures, peer comparators, and business unit commitments.
2. The Operational Excellence function promotes the values, habits, tools, and skills that improve the effectiveness and efficiency of BPA’s operations by coordinating the development of plans for closing gaps in performance relative to internal objectives and benchmarked peers. This function utilizes industry best practices on proven quality management systems and process improvement tools to help managers and employees pursue Operational Excellence. The Operational Excellence function provides support to the business units to identify specific business process improvement opportunities, provides guidance for implementation plans to achieve and maintain operational gains, and collaborates with peer organizations to advance quality system development.

**D. Technology Innovation** is led by the Chief Technology Innovation Officer (CTIO). The CTIO oversees a staff of specialists who work with those implementing BPA’s Technology Confirmation/Innovation (TC/I) project portfolio in areas that help accomplish the agency’s strategic focus.

The purpose of the Technology Innovation Office is to make BPA’s power delivery system more effective and efficient through the application of new and emerging technologies, systems, and actions. The Office ensures a direct connection between the agency’s strategic objectives and technology applications that helps accomplish the agency’s mission.

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The TC/I Program is agency-wide. It is responsible for guiding BPA’s TC/I investments, setting BPA’s (non-Fish & Wildlife) technology agenda, and coordinating and collaborating with national and international research contacts, such as the Electric Power Research Institute, Tennessee Valley Authority, Hydro Quebec, U.S. National Laboratories of the Department of Energy, and various universities.

### 3. Finance

Finance provides services of financial planning, accounting, treasury, and reporting for the Federal Columbia River Power System (FCRPS) and Bonneville Power Administration (BPA). Finance provides economic and analytical support for rate case and regulatory proceedings, and coordinates and executes all U.S. Treasury and non-federal financing programs. Finance has primary responsibility for relationships with federal and non-federal banking communities, rating agencies, investors and others in the financial community. Finance has primary responsibility for the development of agency internal and external budgets. Finance provides leadership in developing proposals and policies on strategic issues that affect the agency’s long-term financial integrity and competitiveness or that have an impact on customers, constituents, and other stakeholders. Finance reviews all draft non-procurement contracts and agreements that bind the agency or commit to the use of agency resources. Finance establishes financial policies and procedures for agency-wide guidance and internal control.

**A. Capital Investment Portfolio (FP)** leads the design and oversees the implementation of agency processes for creating, selecting, executing, and evaluating the performance of investments, in particular:

- how investments in transmission, federal hydro, facilities, information technology, and fish and wildlife are created, selected, and executed
- how the benefits of investments are managed.

Capital Portfolio Management coordinates with BPA’s business units to achieve the goal of maximizing the long-term operational and economic value of federal power and transmission system assets for the Northwest. This involves maintaining and investing in the system so that:

- BPA’s strategic direction is successfully delivered:
- Assets operate efficiently and effectively and provide the capacity and capabilities need to meet reliability, availability, environmental, health and safety, security and other standards; and
- Total economic costs are minimized over the long-term.

Capital Portfolio Management works with other organizations in Finance and with business units and executives to ensure these goals are accomplished in a sustainable way from a long-term power and transmission rate, cost structure, and financing perspective.

Among other functions, this includes leading the agency’s investment prioritization

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process and reviewing the merits and approving, or recommending the approval of, large capital project proposals.

In leading the design of agency processes, Capital Portfolio Management seeks to ensure the processes are standardized, transparent, and risk-informed, and that they include internal controls that are robust, balanced, and adhered to.

- B. Budget Planning and Forecasting** provides oversight and leadership for federal and internal integrated budget planning and services. This group facilitates the development of agency financial targets, consistent with strategic guidance. It analyzes the short and long-term budgetary and financial impacts due to changes in policies and agreements. It coordinates the development of planned expense and capital investment levels. It also coordinates the provision of budget services to Agency Services, Power and Transmission managers.
- C. Financial Information Systems** provides overall financial systems planning and support. It monitors changing strategic initiatives and requirements and recommends lowest cost automation solutions to meet strategic objectives. It ensures that business system requirements and well designed solutions drive the additions, clarifications, changes, data fixes or enhancements to all financial systems. It leads development of financial system initiatives and prioritization. It supports broader agency IT projects by serving as financial data and processes experts and by focusing upon agency-wide integration. Financial Information Systems assesses viability of new system functionality provided for in new releases or patches to existing applications or to new applications. The group’s in-depth knowledge of transaction flow, table structure and system processes enables them to perform complex data analysis, corrections and resolutions. It is responsible for financial data stewardship across the agency to ensure relevancy, consistency, and integrity of financial information. The organization also coordinates user access reviews and is the SharePoint coordinator for Finance.
- D. Accounting and Reporting** provides accounting and financial reporting for FCRPS and BPA. It develops and implements accounting policy; performs financial management system and general ledger operations; provides derivative accounting and settlement operations; performs asset accounting operations; and prepares audited financial statements and other financial reports. It performs cost analysis; accounting treatment analysis; appropriately classifies financial data; monitors developing accounting and reporting standards; and provides analysis that supports BPA decision making. It maintains appropriate and adequate financial systems and process support throughout BPA, ensuring such support meets continuing and changing requirements. It provides functional guidance and oversight to BPA’s financial management systems and establishes BPA and FCRPS requirements and reporting mechanisms to ensure adequate internal controls and compliance with applicable laws, regulations, and internal directives.

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**E. Analysis and Requirements** provides leadership in developing proposals and policies on strategic issues that affect the agency’s long-term financial integrity and competitiveness, or that have an impact on customers, constituents and other stakeholders. This organization provides leadership and support for the development of legislative proposals and public consultation processes. It determines revenue requirements for rate-making and long-term strategic planning, while providing expertise on regulatory requirements and repayment policy. It provides direction, review and guidance pertaining to repayment results. It participates in and supports rate development, provides management reporting and analysis on financial results, and provides leadership, coordination, and close communication and consultation with Power and Transmission Business Units at a strategic level on cost management issues and on other financial and budget matters. This group maintains continuing collaborative relationships with managers and staff throughout BPA to ensure financial decision support is embedded in business strategies, policies and performance decisions, and serves as liaison to central finance functions for business unit staff on financial issues.

**F. Treasury** directs financial planning and investment of funds for BPA and exercises authority for receipt, disbursement, banking, custody of funds, and financial instruments. This organization processes receipts, disbursements, payroll, provides cash and reserves management, conducts collection on overdue accounts, develops short and long-term cash forecasts, develops and executes cash management strategies, and plans and executes capital financing, and exercises overall funds control. It also ensures sustainable access to capital, and oversees investor, rating agency and U.S. Treasury relations.

For a complete description of the functional responsibilities of Finance and the organizations that comprise BPA’s Finance organization, see BPA Policy 130-4, Functional Statement for Finance.

#### 4. Communications

Communications is responsible for developing a communication strategy for internal communication and external communications.

This function is responsible for fostering support, knowledge, and awareness of BPA’s activities, achievements, and value to the Pacific Northwest. Communications is also responsible for ensuring that programs are in place to secure appropriate public input into BPA’s decision-making processes.

Communications promotes high quality communications with employees and the media. To carry this out, Communications ensures that BPA involves and considers the views of interested and affected public in the development of new policy and agency decisions. Communications ensures that BPA communicates with employees and the public in a timely, accurate, clear, and complete manner. Communications prepares executive speeches, presentations, other policy materials, prepares release and outreach plans, develops

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communication strategies including messages, advises and supports business units on communication considerations, and monitors impacts of strategies.

**A. Employee Communications and Graphics** develops, coordinates, and implements employee communications and engagement strategies about BPA policy changes, projects, programs and organizational/administrative issues.

**1. Employee Communications staff** provides agency executives, managers and work groups with communication strategies and plans to build awareness, inform and educate employees and to encourage employee engagement. Communication strategies and plans include the development of key messages and release plans in response to ongoing and ad hoc issues.

The staff develops, coordinates and produces informational materials for employees using print and electronic information distribution methods. The staff facilitates communication planning discussions with internal business services workgroups. The group provides advice and support to business units and cross-agency teams on employee communications strategies and practices.

This organization coordinates the agenda, logistics and content for the Administrator’s quarterly all-employee meetings and is responsible for ensuring the meetings are promoted throughout the agency. The staff participates in the coordination, content development and execution of the bi-annual all manager meetings, the Administrator’s annual awards celebration, the Chief Operating Officer’s monthly call with managers, and development and distribution of the Monthly Manager Briefing Packet.

**Employee Communications group** serves as the web content manager for BPA’s internal web site, BPA Connection. The staff assists internal business units in translating business needs into effective web solution in order to provide employees with information to assist them in their jobs and with information about employee benefits. The group develops and operates systems for managing content on the internally focused website. The team develops and manages the design, content and standards for the internal web pages; evaluates the effectiveness of BPA Connections and initiates revisions as appropriate.

**2. Graphics Services** provides support for BPA programs and event, including development and production of publications, brochures, fact sheets, newsletters, posters, flyers, promotional materials, photographic (digital or film), sign, presentations (electronic, overhead or handouts), charts and diagrams (bar/pie charts, flow charts, maps, etc.), illustrations, displays, exhibits, ads, web graphics, videography/video-stream (single camera not requiring editing) and the BPA Annual Report.

**B. Public Engagement and Community Relations** provides involvement and community relations information, technical assistance, consultation and coordination on behalf of BPA with its various internal and external customers by developing, managing and implementing communication strategies, release plans, and event planning specific to

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BPA’s initiatives, decisions and policy issues. The group develops and maintains effective relationships inside and outside of BPA to ensure rapid review, dissemination and alignment of messages related to BPA policy decisions and other highly visible projects.

1. **Public Engagement** staff design and implement public involvement strategies, release plans and event plans specific to BPA policy issues, decisions and initiatives, taking into consideration the needs of the targeted audiences, to equip agency leaders, managers and field staff to communicate with individuals and diverse groups, including the media, tribes, customers, federal, state and local officials, the general public and special interest groups.

Team members represent BPA to the community at large by establishing and maintaining effective working relationships with key community groups, including other federal agencies, customers, landowners, non-profits, Tribes, constituents, business group and public schools. The organization supports multi-disciplined team by identifying opportunities to expand involvement of current and potential regional partners – including internal business partners – to build awareness of BPA’s role in achieving the region’s safety, energy, operational and environmental goals.

The organization determines the need for and helps develop agency publications, brochures, fact sheets, newsletters, posters, flyers, e-mails and public/customer meeting presentations to best communicate agency messages. The group also manages the online public comment systems and provides a general analysis of comments submitted.

2. **Community Relations and Education** works to improve the agency’s presence in Northwest communities to promote goodwill and understanding of agency programs and initiatives and to further agency recruitment efforts. The group focuses and expands BPA’s efforts to highlight the value of the Federal Columbia River Power systems, increase public understanding and support of BPA’s investments in fish and wildlife, conservation and renewables, and find innovative ways to celebrate the technological achievements of BPA, the talent of its workforce and the innovative ways BPA is preparing for the future.

The Community Education program works with Northwest teachers to educate students on how BPA invests ratepayer dollars into operations and programs that improve life for Northwest citizens. In addition, Community Relations oversees the agency’s sponsorship program for community events and conferences.

**C. Media Relations and Policy Writing** serves as the external face of BPA to the media.

1. **Web Content/Design Management** acts as the “web content master” for BPA’s external websites. The organization assists business units in translating business needs into effective web solutions, and develops and operates systems for managing content on bpa.gov. The group develops and manages the look and feel (design and navigation) standards for the BPA external web, evaluates the effectiveness of the web and

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initiates and coordinates revisions. The team is responsible for design, layout and content management for bpa.gov.

2. **Media Relations, Video Production and Social Media Management** develops and implements media strategies on agency issues and programs, including key messages and release plans. Media staff initiates and responds to media calls, and act as official spokespersons for the agency. The staff coaches executives, managers, and staff on interacting with the medial, fields and coordinates responses to press inquiries, produces and distributes press releases, advisories, op-eds, letters to the editor, etc. The staff plans and coordinates press conferences, monitors media developments and provides a clipping service. Staff routinely visits media outlets throughout the region to foster healthy relationships with those outlets and reporters. Staff produces high quality videos to highlight BPA activities and initiatives of interest to external audiences.

The group manages and monitors BPA’s presence on social media outlets such as YouTube, Twitter, Facebook and others.

3. **Writing staff** coordinates and provides strategic messaging for agency written products. The staff write and edit documents including talking points, fact sheets, executive speeches, white papers, the Annual Report, the Journal, BPA Connection stories, video scripts, project files, etc., used to meet agency and program goals. Writers assist with development of communication plans and provide editing services and advice on the most effective written products for documents initiated in other BPA organizations. Writing staff serve as the style and grammar guides for the agency.

D. **Library and Visitor Center** The BPA Library & Visitor Center (BPALVC) provides information services for BPA employees and contractors as well as the public.

For the BPA workforce and the public, the BPALVC:

- Maintains the BPA Visitor Center which supplements the region’s understanding of BPA’s enormous role in the Pacific Northwest. Provides access to exhibits and publications related to BPA’s history, geography, youth education and business;
- Archives and provides electronic and visitor access to BPA’s 1.5-million item collection of historic BPA documents, photographs, and videos;
- Obtains, organizes and maintains a non-fiction print collection with subjects that range from health and well-being to engineering;
- Provides reference and document delivery services;
- Participates in a worldwide inter-library loan network; and
- Participates in the Federal Depository Library Program, thereby providing the BPA workforce and the public with print and electronic access to federally-produced materials.

For the BPA workforce, the BPALVC:

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- Provides access to a collection of over 100,000 eBooks;
- Purchases books, subscriptions and other information resources for workers to keep at their locations;
- Provides research services;
- Acquires and circulates print and electronic subscriptions;
- Acquires and provides access to research databases;
- Provides un-staffed branch libraries to field locations;
- Populates and maintains the agency’s standards portal;
- Populates and maintains a collection of safety videos in streaming and DVD format; and
- Provides notary services.

For more information, visit the Library & Visitor Center page on BPA Connections.

## 5. Congressional and Intergovernmental Affairs

The Office of Congressional and Intergovernmental Affairs is responsible for ensuring BPA enjoys productive, collaborative and positive working relationships with the Pacific NW Congressional delegation, the NW Power and Conservation Council, tribes, governors and state agencies, state legislators, public interest groups, state regulatory commissions, local governments and elected officials and, in many cases, other federal agencies and associations.

The Office fosters regional and national understanding and awareness of BPA’s activities, programs, decisions and achievements while also ensuring that key stakeholders are appropriately informed of and engaged in BPA’s programs and processes. The group helps BPA maintain public trust by ensuring that constituents, tribes and elected officials of all levels of government understand BPA initiatives and know when and how they can participate in BPA’s decision-making processes.

This organization teams inform policy decisions across the agency and ensures that executives, senior managers and project managers understand and consider stakeholder perspectives in BPA’s decision-making processes. The group assists executives and senior managers develop strategies for addressing constituent and tribal concerns and ensures that frequently competing priorities for all key stakeholders are addressed prior to decision making.

A. **Tribal Affairs** builds and maintains long-term relationships on behalf of BPA with tribes and influential tribal organizations across the Pacific NW. The group fosters internal relationships, and acquires expert program and policy knowledge and information necessary to help BPA work effectively with tribes to achieve agency goals and objectives. The staff develops, implements, and revises long-term strategies, programs and plans to meet the changing energy, natural resource and cultural needs of tribes and BPA. The staff provides advice to BPA technical and policy-level decision-makers to enhance

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compliance with federal laws and regulations, treaties and executive orders. The staff facilitates informational, technical and formal government-to-government consultation meetings with the tribes and power, transmission and fish and wildlife related issues. The organization facilitates outreach to tribal communities on topics of interest to the Tribes such as apprenticeships, contracting, business opportunities and technical assistance. The group provides training to BPA employees to promote better understanding of tribes, their unique needs and significant cultural resource issues.

- B. Regional Relations** builds and maintains productive relationships with Pacific Northwest governors, Northwest Power and Conservation Council, state and district congressional offices, state legislatures, and executive agencies, public utility and regulatory commissions, local governments and public interest groups. The staff articulates BPA policy and supports meaningful engagement in BPA decisions.

The Constituent Account Executives (CAEs) maintain expert knowledge of BPA programs and policies and ensure constituents have sufficient notice, knowledge, and opportunity to participate meaningfully in evaluating and influencing BPA proposals, projects and policies. The group contributes to the development of BPA policy with consideration for the needs and views of constituents. The organization counsels BPA’s executive leadership on anticipated issues and concerns of constituencies and supports productive relationships between constituencies and BPA leaders for open channels of communication. CAEs serve on BPA executive-level strategic planning teams for major regional policy initiatives including BPA ratemaking, renewable energy development, endangered species protection and transmission siting. Where possible, CAEs identify opportunities for productive collaboration and mutually beneficial policy options.

The staff responds to congressional inquiries, prepares testimony and briefing books for congressional hearings, state legislative hearings, and DOE leadership. The group coordinates VIP briefings and system tours produces regular DOE reports and other special projects, ensuring consistent messages for BPA executive briefing materials. The organization is responsible for monitoring and informing executive leadership and appropriate staff of state actions, policies, and programs that could impact BPA and its customers.

- C. National Relations** serves as the Bonneville Power Administrator (BPA)/Chief Executive Officer’s representative in Washington, D.C. The professional staff are the liaisons between BPA and the Congress, the Executive Branch agencies, Department of Energy (DOE), the Federal Energy Regulatory Commission (FERC), and other organizations and officials within the federal branches of government, interest groups and trade associations and the general public.

National Relations works collaboratively with these various entities to help BPA: establish well-informed decisions; consider the interests of others; identify win-win opportunities; address legislative and administrative priorities; and neutralize or facilitate opposition or support as appropriate. National Relations staff monitors and manages Administration,

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regulatory, and Congressional actions, policies, and programs occurring from the national level that could impact BPA. National Relations’ portfolio of issues covers all issues arising within BPA - particularly those issues that impact rates, operations, political impact, and major energy policy direction.

## 6. Compliance, Audit and Risk

The Office of Compliance, Audit & Risk Management reports to the Deputy Administrator. The Executive Vice President of Compliance and Risk Management is a principle Bonneville Power Administration (BPA) executive and is responsible for leadership, strategic planning and oversight of Civil Rights & EEO, Compliance and Governance, Risk Management and Internal Audit. The EVP of Compliance and Risk Management oversees and provides direction, guidance for policy and program integration and execution that rigorously maintains regulatory compliance and supports BPA’s mission, values and goals.

- A. **Civil Rights & EEO** is responsible for Equal Employment Opportunity (EEO) Title VI and VII compliance and conflict resolution programs.
- B. **Compliance & Governance** establishes and maintains a comprehensive regulatory compliance and ethics program which is aligned with and fully supports Bonneville Power Administrations (BPA’s) mission and objectives.
  - 1. **Governance and Internal Controls** provides planning, development, and administration of programs, systems, and processes which are functionally critical for successful management and support of BPA’s implementation of management controls and reporting, BPA Manual and Department of Energy (DOE) Directives, Office of Management and Budget (OMB) Circular A-123, information governance and lifecycle management, and Management’s responsibility for Internal Control; and monitoring and shaping BPA’s policies and practices as these policies and practices relate to these activities. This function serves as a focal point for agency-level reporting to the Department on a broad array of topics. Responsibilities will also include:
  - 2. **FERC Compliance** provides planning, development, and administration of programs, systems, and processes which are functionally critical for successful management and support of BPA’s being in compliance with all applicable Federal Energy Regulatory Commission (FERC), North America Electric Reliability Corporation (NERC), Western Electric Coordinating Council (WECC) and FERC Standards of Conduct (SOC) regulatory requirements. It also monitors and shapes BPA’s policies and practices as they relate to these above activities. This function serves as a focal point for agency-level reporting to FERC, NERC, and WECC on a broad array of topics.
  - 3. **Purchasing/Property Governance** is responsible for the planning, direction, oversight and management of comprehensive supply chain policy and governance aligned to

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meet BPA mission and objectives. This function plans, develops, and administers programs, systems, and processes which are functionally critical for successful management and support of BPA’s supply chain policy and governance. This function includes the Head of Contracting Activity (HCA) authority; Organizational Property Management Officer (OPMO); and this function is responsible for optimizing BPA’s use of its separate statutory supply chain authority; delegating authority for contracts and financial assistance transactions (excluding land, power, and conservation acquisitions); and providing governance oversight to BPA’s acquisition, financial assistance, and personal property operations to ensure conformance with established law, regulations, policies, procedures, and good business practices.

4. **Freedom of Information Act (FOIA) and Privacy Act:** BPA’s Freedom of Information Act (FOIA) Officer and Privacy Act Officer directs his/her staff to provide responses to FOIA and Privacy Act requests; serves as the liaison for BPA to the Department of Energy regarding FOIA and Privacy Act; and provides advice on compliance with FOIA and Privacy Act to BPA management and staff.

C. **Risk Management** group is led by the Chief Risk Officer (CRO) and is comprised of Enterprise Risk Management (ERM), Transacting and Credit Risk Management (TCRM). The Chief Risk Officer reports to the Executive Vice President, Compliance and Risk Management.

Risk Management’s key responsibilities include: (1) facilitating a risk-based approach to strategic planning in which BPA’s overall risk portfolio, tolerance for specific risks, and overall risk management capability are key inputs to strategy development and execution planning; (2) providing a single point of accountability for ERM to ensure sustained and consistent focus on organizational acceptance of risks, ERM process implementation, and continuous improvement; (3) providing a single point of contact for risk issues to work on a peer-to-peer basis with senior management; (4) monitoring and reporting on BPA’s full range of risks, including commodity transacting risks, and collaborating on development of risk mitigation strategies; (5) proactively managing BPA’s credit exposure in the event of counter-party default; and (6) directing and overseeing BPA’s business continuity program, ensuring the program continually meets BPA’s evolving needs, complies with federal directives and regulations, and leverages leading industry practices.

1. **Enterprise Risk Management (ERM)** is responsible for establishing and maintaining BPA’s ERM framework, program, and infrastructure to effectively manage its full range of risks on an integrated and agency-wide basis. The ERM program is based on a rigorous and systematic process to identify, analyze, evaluate, and treat risks. This process includes the analysis and measurement of agency financial risk, including the development and maintenance of probabilistic agency financial risk models and metrics, and the development of common procedures for collecting financial risk data from subject-matter experts throughout BPA. The Risk Management group coordinates the activities of the Enterprise Risk Management Committee (ERMC), including definition of

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agency risk tolerance and the identification, assessment, and treatment of significant risks to agency strategic business objectives.

**2. Transacting and Credit Risk Management (TCRM)** is responsible for measuring, monitoring, controlling, and reporting market risks associated with BPA’s commodity transacting activities. It fulfills its risk management and control function in the following ways: (1) proactively developing commodity transacting risk management policies, procedures and financial risk limits and ensuring that these policies, procedures and limits are updated to reflect leading industry risk management principles and practices; (2) ensuring that commodity transacting activities are consistent with approved financial risk limits; (3) institutionalizing key risk measures such as Revenue-at-Risk, scenario analysis, and stress testing to identify potential financial risks under normal and extreme market conditions; and (4) performing rigorous analysis to quantify market, credit and operational risk exposures to ensure effective senior management and Transacting Risk Management Committee (TRMC) review of commercial activity. In addition, the TCRM is responsible for administering BPA’s insurance programs, providing risk analysis and recommendations for various types and amounts of insurance coverage for the agency.

**D. Internal Audit** supports the governance objectives of BPA executive management and the BPA Audit and Internal Controls Committee (AICC); serves BPA managers by providing audits, reviews, surveys, analyses, testing, investigations; and other services related to BPA operations, business controls, compliance, and the conduct of employees and contractors; contracts, rates, and tariffs; and BPA costs, revenues, margins, and other performance indicators. Internal Audit also functions as the point of contact and coordinator for governmental reviews, audits, and investigations conducted by DOE’s Inspector General, the Government Accountability Office, (GAO), and other external reviewers.

## 7. Ombudsman

Provides Ombudsman services to the BPA workforce by addressing workforce and workplace concerns brought to the Ombudsman’s office for inquiry or resolution. The Ombudsman officer will evaluate employee conflicts or concerns and provide resolution options. The Ombudsman officer assists employees with resolution through a variety of techniques, such as providing coaching, mediation, counseling, training, informal inquiry, group facilitation, or fact finding. The Ombudsman officer will ensure that services provided are consistent with standards and adherence to confidentiality, independence and neutrality.

## 8. Review

BPA Functional Statements are reviewed and updated as required due to change in delegations of authority, statutory changes, or organizational changes.

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## 9. Revision History

Version	Issue Date	Description of Change
2	4/29/2015	Migrated to BPA Policy Template and updated with new Communications, Audit, Risk, and Finance functional statements.

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