

INTRODUCTION TO THE BONNEVILLE PURCHASING INSTRUCTIONS

The Bonneville Purchasing Instructions (BPI) draw on the best purchasing techniques available from both government and commercial sources. It provides for a "best buy" purchasing process which considers quality, timeliness of delivery, quantity, and total costs, including administrative costs.

VISION OF THE BPI

To provide regulatory flexibility to enable BPA's market-wise purchasing teams to creatively respond to changing forces in the marketplace while maintaining high standards of public service.

MAJOR GOALS

- A. Improve the quality of goods and services purchased by Bonneville.
- B. Reduce the length of the purchasing cycle.
- C. Reduce the total cost of the purchase, the process, and the total cost of ownership.
- D. Create more satisfied customers, contractors, and purchasing professionals.

SUMMARY OF IMPROVEMENTS

A. Select Contractors Using Commercial Principles

- 1. **Select contractors based on "best buy,"** rather than on minimum requirements, low price, and minimum standards of responsibility and quality.
- 2. Realign the purchasing cycle to **shift critical decision points closer to the beginning of the process.** Evaluate and qualify contractors before soliciting offers. Select contractors before entering into detailed negotiations.
- 3. **Measure competition by the quality of competition rather than the quantity of firms solicited.** Solicit from a limited number of well qualified but competitive suppliers to ensure quality at a reasonable cost.
- 4. **Increase emphasis on contractors' past performance** during the evaluation process.
- 5. **Eliminate the distinction between "small purchases" and "large purchases"** as the method to determine the process used for a particular purchase.
- 6. **Treat offerors fairly** based on the situation at hand rather than on structured processes.
- 7. **Increase use of person-to-person negotiations in a flexible environment,** rather than written negotiations within a structured process.

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8. Increase emphasis on using **negotiations** as a tool **to reach understanding and agreement**.
9. **Allow contracting officers more discretion** to solicit the optimum number of suppliers to assure **meaningful competition** based on sound business judgment, their assessment of the marketplace, and the costs/benefits of the solicitation process.
10. **Establish "market knowledge" as an important skill** for contracting personnel while reducing the focus on knowledge of the process.

B. Maintain Commitment to Necessary Federal Policies

1. **Bonneville will continue to fulfill its obligations as a socially responsible Federal utility.** The BPI will:
 - a. Support labor laws such as the Davis-Bacon and Service Contract Acts.
 - b. Meet Bonneville's commitment to small and disadvantaged businesses.
 - c. Maintain and clarify ethical standards.
 - d. Support BPA's commitment to sound environmental practices.
 - e. Comply with other applicable laws as well as non-applicable laws which BPA elects to follow to support its commitment to social responsibility.
2. **Implementation** of those obligations **will shift**, where possible, **to emphasize effective "results"** and significantly reduce the current emphasis on "process."

C. Eliminate Or Simplify Procedures

1. **Significantly reduce the number of mandatory procedures.**
2. **Increase contracting officers' use of discretion and sound business judgment** to replace rigid procedures.
3. **Emphasize obtaining results** rather than prescribing detailed procedures which may no longer meet the organization's needs in a changing environment.
4. **Reduce contracting officers' role as the "gatekeeper"** and return responsibility for non-purchasing administrative controls to requiring offices.
5. **Significantly reduce mandatory documentation** for requisitioners and CO's.
6. **Encourage teamwork** between CO's and requisitioners and between Bonneville and contractors.
7. **Make the BPI easy to use** for both contracting officers and requisitioners, including "on-line" access to the BPI.