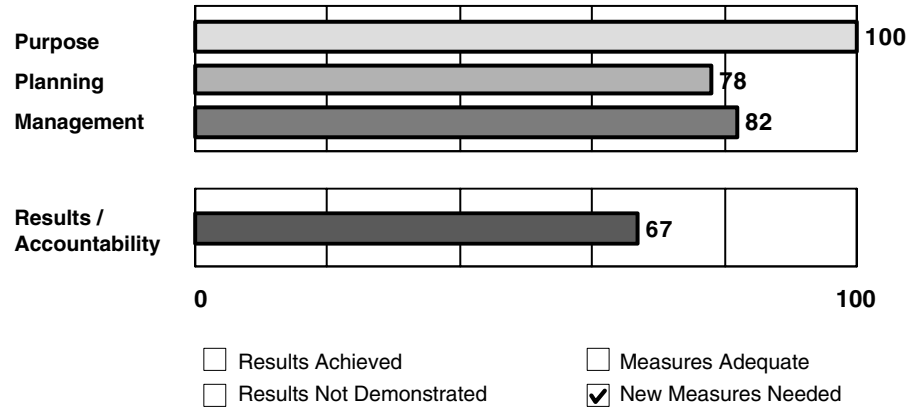


Program: Reclamation Hydropower

Agency: Department of the Interior

Bureau: Bureau of Reclamation



Key Performance Measures

Year Target Actual

Measure Description	Year	Target	Actual
Long-term Measure: Measures under development			
Annual Measure: Rate of unplanned generator shutdowns as a percent of scheduled generating time This measures how often a generator is shutdown for unplanned maintenance.	2002	3%	1.6%
	2003	3%	
Annual Measure: Power production efficiency as measured by dollar per megawatt goal that is cheaper than 75% of comparable hydropower facilities The agency is still improving technical details on how costs are determined for this measure.	2001	7300	7100
	2002	7300	unknown
	2003	7300	

Rating: Moderately Effective

Program Type: Capital Assets

Program Summary:

The Bureau of Reclamation's hydropower program provides electricity and ancillary services for the 17 Western States. It operates 58 power generating dams, which generate about 10 percent of electrical capacity in the western U.S. The dams and resulting reservoirs also provide water for irrigation, drinking water supply and recreation. Financing of Reclamation's hydropower program is complex, including a combination of appropriations and direct funding, most of which is reimbursable through power sale revenues or direct reimbursement from power customers.

The assessment indicates that the program is strong overall but needs to improve its long-term planning. Specific findings include:

1. Reclamation competently manages its hydropower program. It effectively maintains its facilities, closely tracks costs, and reliably provides low-cost power to its customers.
2. The dams and other facilities are aging, yet Reclamation has not adequately developed a long-term strategic plan to address this.
3. The main goal for the hydropower program is to maintain reliable power generation while keeping power production costs low. Reclamation has successfully met its annual performance goals for these measures. However, its long-term goal is to meet its annual goals in perpetuity. Meeting its annual goals in perpetuity is inadequate as a long-term goal because it lacks a vision for Reclamation's future in hydropower.
4. The Administration is developing long-term goals that will better reflect areas where Reclamation could improve its tracking and provision of ancillary power delivery services.

In response to these findings, the Administration recommends that:

1. The Department of the Interior give funding priority to dam safety and maintenance of aging facilities, above non-core activities.
2. Interior develop long-term strategic plans including long-term performance measures.

Program Funding Level (in millions of dollars)

2002 Actual	2003 Estimate	2004 Estimate
164	166	171