

factsheet

March 2008

EPIP Update: Producing positive results for BPA

BPA's Enterprise Process Improvement Program (EPIP), begun in 2004, is aimed at continuous improvement in how we serve our customers and constituents. It is helping us:

- Streamline and standardize processes to increase efficiency and effectiveness while reducing risk,
- Implement best management practices to ensure repeatable high quality results, and
- Capture valuable knowledge from retirement-eligible employees so we can impart that knowledge to new employees, embed it in processes, and ultimately manage our costs more effectively.

EPIP projects

Nine projects were selected for EPIP. Two have been completed: Energy Efficiency and Public Affairs. Most remaining EPIP work will be completed in the next two years with some remaining in 2010. As each project is implemented, the process changes can have a big impact on how employees conduct their work and how they access the services they need in other parts of the organization. Many of the projects share common features, such as greater standardization to produce economies and efficiencies, and enhance quality and service. EPIP projects produced \$112.4 million in avoided or reduced capital and expenses in fiscal year 2006 and FY 2007. Below is a capsule report of these projects.

Energy Efficiency

Energy Efficiency reorganized to align lines of responsibility and authority. It also standardized

processes across the East and West hubs and automated its contract management system. These efforts resulted in a 5 percent staff reduction and \$1.3 million in cost savings.

Public Affairs

Public Affairs activities throughout the agency were consolidated under a new Chief Public Affairs Officer. The number of publications were reduced, and standard operating procedures instituted for those that remained. The project also focused on staff training and skills improvement. BPA's internal Web has been redesigned, and the external Web will be redesigned as IT resources allow. Public Affairs experienced a 30 percent reduction in staff and contract support, resulting in \$5.2 million in cost savings.

Transmission Operations and Maintenance

The Transmission Operations and Maintenance project is focused on improved access to facility data and adopting a systemwide approach to prioritizing work while assuring safe and reliable operation of the transmission system. An improved asset condition data base will support prioritization. Efficiencies will be reinvested to maintain reliability of the aging system and meet increasing regulatory requirements.

Transmission Plan, Design and Build

Implementation of standards, teams and the development of a rolling two-year work plan will



ensure the right work gets done in the right order with higher quality and lower cost. New projects will be subject to more rigorous analysis of costs, benefits and risks. Implementation of an enterprise geographic information system also is moving forward. The project has saved \$26.2 million in capital to date.

Asset Management

This EPIP is a multi-year project to improve investment planning and management. It is focused initially on four asset categories: federal hydro, transmission, IT and facilities. An Agency Asset Management Strategy has been completed and a new capital project approval process is now in place.

Information Technology

The IT EPIP effort is continuing consolidation and centralization of IT services. Computer programs have been reduced from 218 to 106 and the installed costs of workstations has been reduced by 17 percent. Agency IT initiatives also have been prioritized into an annual plan of work. The IT group has reduced staff 13.6 percent and saved \$68.8 million.

Human Capital Management

The focus is on delivery of services. The EPIP project completed a workforce plan and is developing a

service delivery model and HR Service Center. Economies and efficiencies will be realized through greater self service and automation. Redesigned processes will include hiring, recruitment and workforce/succession planning. Many milestones will be implemented in FY 2008 with automation to follow. The effort has saved \$5.7 million to date.

Supply Chain

This EPIP is focused on buying smarter and managing contracts better to assure optimum spending and inventory. Supply chain has been reorganized for strategic acquisition of goods and services. To date the effort has realized \$2.2 million in savings.

Marketing and Sales

The Marketing and Sales EPIP established customer account teams and standard agencywide contract provisions. It established front-middle-back office functions within Standards of Conduct guidelines. The project has focused on developing processes to provide superior customer service and effective internal controls. The group has experienced a 3 percent staff reduction and \$3 million in savings.

EPIP Project Status		
Project	Percent Complete	Cost Savings to Date (FY 2006 and FY 2007)
Energy Efficiency	100%	\$1.3 million
Public Affairs	100%	\$5.2 million
Transmission O&M	50%	optimized spending & asset performance
Transmission Plan Design Build	60%	\$26.2 million*
Asset Management	60%	optimized spending & asset performance
Information Technology	50%	\$68.8 million**
Human Capital Management	25%	\$5.7 million
Supply Chain	40%	\$2.2 million
Marketing and Sales	60%	\$3.0 million
Total		\$112.4 million

* Capital

** Capital and expense