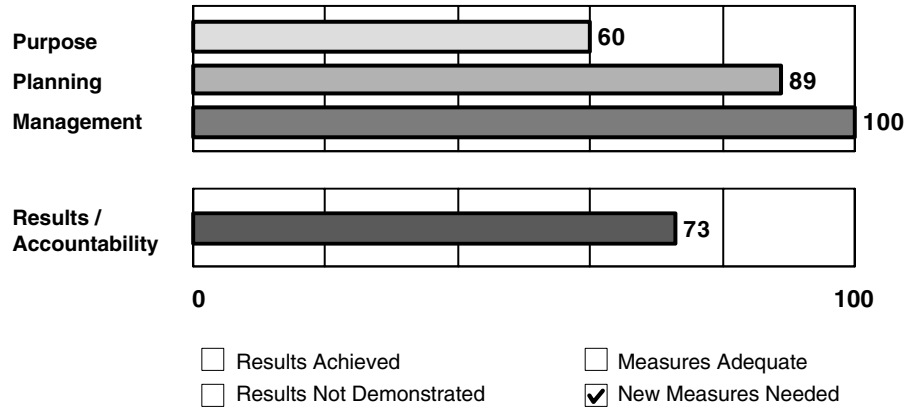


**Program: Bonneville Power Administration**

**Agency:** Department of Energy

**Bureau:** Power Marketing Administration



**Key Performance Measures**

**Year Target Actual**

Long-term Measure: Achieve high customer satisfaction ratings (scores above 7.2) based on annual independent surveys (scale 1-10)	2001	7.2 to 7.6	7.4
	2002	7.2 to 7.6	
	2003	7.2 to 7.6	
Annual Measures: Achieve high ratings for: Efficiency (actual generation output in cycles/second[cps] vs the 60 cps goal); and Reliability (% of operating time generation is within its electricity production tolerances) based on nat'l standards	2001	100	173.1
	2001	90	98.7
	2001	3.3	2.0
Meet safety standards of 3.3 accidents/200,000 hrs worked			
Annual Measures: Make planned debt payment to the Trerasury to repay the long-term ocst of building hydropower facilities Recover subsidies identified by GAO incurred during construction of hydropower facilities Adopt industry-wide measures of efficiency, such as the cost of generating and transmitting power/kilowatthour	2001	\$135 M	\$230 M

**Rating: Moderately Effective**

**Program Type:** Capital Assets

**Program Summary:**

The Bonneville Power Administration markets power generated at 31 Corps of Engineers and Bureau of Reclamation dams located in the Northwestern United States. Bonneville is responsible for recovering all its costs through the sale of power to customers.

The program assessment demonstrates that Bonneville plans and carries out its programs effectively, meeting national standards for providing dependable power to the four Pacific Northwest states while also balancing power and environmental requirements. Additional findings include:

1. It conducts annual financial audits and extensive program and management reviews for power generation and its transmission and natural resources programs. Bonneville's high score is based on the planning and management of its programs and the reliable delivery of power.
2. Bonneville's score is reduced because the program does not make a unique contribution to addressing a problem in the industry, and its power allocations, by law made on a preference basis to a special class of customers, are not optimally designed. Developing power rates and customer allocations under its legal requirements often takes years and is an inefficient (it does not offer power to bidders) and burdensome process. In addition, according to the General Accounting Office (GAO), Bonneville historically has not covered all its costs.
3. Bonneville competes with the private sector, particularly in its surplus power sales to California.
4. Bonneville also has not developed adequate long and short term performance targets and measures, particularly efficiency measures.

Based on these findings:

1. Bonneville will improve its long and short term targets and measures of performance.
2. The Administration will develop and collect data on efficiency measures comparable to those used by private industry.
3. Bonneville will develop recommendations to improve the way it conducts marketing functions and the recovers its costs.

(For more information on this program, please see the Department of Energy chapter in the Budget volume.)

**Program Funding Level (in millions of dollars)**

<u>2002 Actual</u>	<u>2003 Estimate</u>	<u>2004 Estimate</u>
-52	-19	-11