



**Integrated Program Review
(IPR)
BPA Capital Approval Process
Follow Up**

August 28, 2008



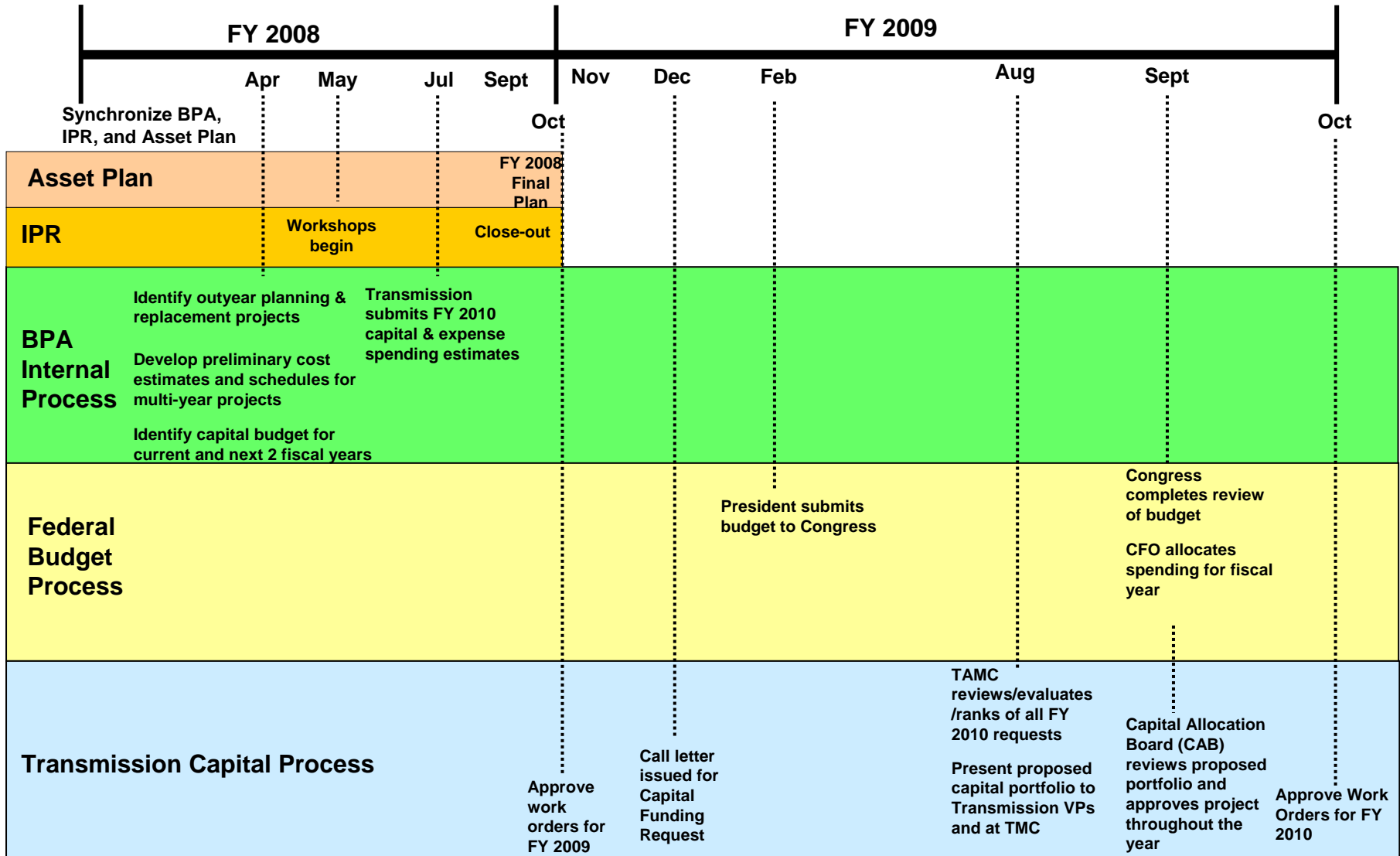
BPA's Capital Approval Process

1. Please describe the relationship between the asset plan, IPR, Federal Budget (Specifically the OMB budget) and BPA Capital Spending?

The OMB Budget is a proposal to the President by all the Federal agencies. It awaits his final decisions as related to the Federal agencies via OMB. The process is designed to not tie the President's hands, so it is prepared outside the normal government's goal of transparency. If agencies could build support for their programs before the President makes his decisions, that would take away the President's flexibility to do what he wants to do. BPA's intent in the past as well as now has been to build a consensus among BPA constituents as to the desired program levels assumed for the upcoming rate period. However, we can make no promise as to influencing what will actually appear in the President's Budget that is delivered to Congress.



BPA's Capital Approval Process



IPR = Integrated Program Review
TMC = Transmission Management Committee

TAMC = Transmission Asset Management Council
CFO = Chief Financial Officer