

## FY 2012 Key Agency Targets Summary

BPA sets key agency targets that the organization as a whole is responsible for achieving in the specified year. These targets serve as indicators of the agency's annual performance.

### STAKEHOLDER PERSPECTIVE

#### ***Columbia River Treaty (KAT)***

The U.S. Entity will provide a recommendation to the U.S. Department of State for consideration in September 2013. A balanced and informed recommendation will be arrived at by the U.S. Entity through the following processes:

1. U.S. Entity Analysis and Recommendation Development and Sovereign Review Team/Sovereign Technical Team Engagement;
2. Stakeholder Engagement; and
3. U.S. DOS/Government Coordination.

#### ***Federal Hydro Performance (KAT)***

Power achieves and maintains high reliability and system generation performance through the utilization of the four key industry metrics:

1. Equivalent Availability Factor (EAF) of hydro generation facilities
2. Equivalent Forced Outage Rate (EFOR) of hydro generation facilities
3. Generation Reliability – Compliance
4. Hydro Generation Fleet Cost Performance

#### ***Transmission System Performance (KAT)***

Transmission maintains high system performance as measured by Transmission Availability, Transmission Reliability, System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI) target accomplishments.

#### ***Columbia Generating Station Performance and Cost (KAT)***

Columbia Generating Station (CGS) cost and performance achieves both of the following targets for the 12 months ending in June 2012:

1. The CGS overall performance index indicator is greater than or equal to 77.5 points (aggregate result for CGS operational indices); and
2. The CGS cost of power is \$44.77 to \$49.49 per megawatt-hour or less.

**Transmission System Infrastructure (KAT)**

BPA's stewardship of the transmission system infrastructure addresses current and future demands by assuring that:

- 1) Capital investment program expenditures for the year are at least 80% and not more than 100% of the Start of Year direct capital budget;
- 2) At least 80% of the in-service milestones are met for all projects in the capital work plan; and
- 3) At least 80% of Capital Allocation Board (CAB) approved "major capital investment" project/program elements of cost, schedule, and scope are on track for end-of-project completion.

**Hydro Generation System Infrastructure (KAT)**

BPA's stewardship of FCRPS hydroelectric generation plants, through replacement and modernization of failed or deteriorating equipment, sustains reliability and performance by assuring that:

1. The capital investment program expenditure rate for the year is at least 85% and not more than 100% of the Start of Year direct capital budget;
2. At least 80% of the targeted milestones are met for all major projects in the capital work plan; and
3. At least 80% of Capital Allocation Board (CAB) approved "major capital investment" project/program elements of cost, schedule, and scope are on track for end-of-project completion.

**Commercial Transmission Policy Review (KAT)**

Assess, design, and implement modifications related to Network Open Season (NOS) and Generation Interconnection (GI) policies and processes that will support more efficient regional planning, mitigate BPA stranded cost exposure and ensure rational cost and risk allocation. In addition, in response to requests from certain customers, BPA will conduct a process to evaluate proposals to terminate or modify existing Precedent Transmission Service Agreements (PTSA) and make a decision whether to allow requested terminations or modifications.

**Energy Efficiency (KAT)**

Deliver at least 70 aMW of new energy efficiency from all BPA, and public utility energy efficiency programs, and market transformation (NEEA) (62 programmatic and 8 NEEA) at a cost to BPA of less than or equal to \$1.9 million per aMW. Ensure that Energy Efficiency is incorporated across BPA into our day-to-day business. Improve budget management through implementation of EE Tracker and associated budget controls.

**Renewable Resource Integration (KAT)**

To support the continued integration of renewable resources while preserving the reliability of the federal Hydro and Transmission system, and to address the likelihood that federal Hydro reserves will not be sufficient to fully support renewable integration by the end of FY 2013, BPA will, in collaboration with regional stakeholders, pursue durable solutions to the twin challenges of increasing the pool of balancing reserves and addressing the oversupply issue.

**Keys Pump Generating Plant Modernization (Pumped Storage) (KAT)**

To enable increasing variable renewable generation on the FCRPS and to provide reliable, cost effective capacity through evaluation of pumped storage applications in the region, the Keys Pump Generating Plant (PGP) Modernization work continues on schedule.

**ESA Compliance (KAT)**

BPA succeeds at protecting and enhancing ESA listed fish through two measures:

1. BPA is on track to meet its responsibilities by 2018 under the 2008 FCRPS Biological Opinion Reasonable and Prudent Alternative (RPA), as amended by the 2010 Supplemental Biological Opinion (the BiOp).
2. BPA develops a remand strategy and plan and begins implementation of the plan along with its partner agencies and NOAA, with a goal of a new or supplemental BiOp by January 1, 2014.

**Climate Change Risk Management (KAT)**

Coordination of cross-agency response to climate change, to include completion of a scoping assessment for applying and integrating scientifically-sound climate change scenarios into key analysis and decision-making processes, for both long-term planning and shorter-term operations, including activities such as: 1) reservoir planning and operations, 2) treaty planning, 3) resource planning, 4) fish and wildlife support and habitat restoration, and 5) transmission investment. Create action plan to determine timeline for modeling and planning to integrate the scenarios and to determine additional areas of research.

**External Surveys (Customer, Constituent, Tribal) (3 separate KATs)**

BPA's achieves a customer/constituent/Tribal government satisfaction rating of 7.0 - 7.5 or higher.

## FINANCIAL PERSPECTIVE

### ***Bond Rating (KAT)***

BPA-backed bonds maintain ratings as follows:

Moody's: Aa1  
S&P: AA-  
Fitch: AA

### ***Capital Access Strategy (KAT)***

A comprehensive Capital Access Strategy is in place that provides for reliable, long-term access to cost-effective capital and ensures that capital costs are prudent, well controlled and sufficient to meeting the agency's investment priorities.

### ***Net Revenue (KAT)***

Agency net revenue (NR) is in the range of \$5 million to \$130 million, or greater.

### ***Cost Management (KAT)***

Actual total departmental operating costs are equal to or less than the start-of-year (SOY) budget (\$848.767 million or less).

### ***Treasury Payment (KAT)***

Treasury payment is made in full for the 29<sup>th</sup> consecutive year.

## INTERNAL OPERATIONS PERSPECTIVE

### ***RODS Replacement & Retirement Project (KAT)***

The RODS Replacement and Retirement Project achieves major milestones in the development and implementation of software and processes such that the business has confirmed replacement of all required RODS functionality via new technology, employment of existing technology, or acceptable workarounds within forecast and budget.

### ***Smart Grid (KAT)***

1. Create an analytical framework (reflected in a computational model) to support the creation of a Regional Smart Grid Business Case to evaluate technologies for potential reliability and cost/benefit to the region and BPA.
2. Meet BPA milestones in significant Smart Grid projects in which BPA is participating:
  - a) The Pacific Northwest Smart Grid Demonstration Project (SGDP) and develop plan and achieve at least 80% of milestones to set foundation for Smart Grid to grow in Pacific Northwest.
  - b) The WECC-led Western Interconnection Synchrophasor Project (WISP).

## PEOPLE AND CULTURE PERSPECTIVE

### ***Talent Management (KAT)***

Implement the Talent Management Strategy to develop and maintain a BPA Workforce that is the right size with the right skills, working in the right environment to deliver on BPA business outcomes.

### ***Safety (KAT)***

The lost-time accident frequency rate is less than or equal to 1.5. No fatalities occur to BPA employees or contract staff working on BPA facilities.

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