

## 1999 in review



**A**t the end of each year, I take time to reflect on what happened in the preceding 12 months. I take pride in what went well. I hope I learn from what did not go well. And, based on what happened, I plan for the next 12 months.

For Western and its employees as a whole, 1999 was a very good year. Here are just some of the important accomplishments that you contributed to:

- ✓ We worked hard on making our systems Year 2000 compliant. We met every Departmental milestone and completed every task on time. We are ready to serve our customers reliably in 2000.
- ✓ We brought the Moler process to successful closure. Former Deputy Secretary Moler asked Western to answer a number of questions about how we will market power in the future. After an exhaustive public process and consideration of public comment, we published our response in the *Federal Register*. This effort helps chart our future power marketing efforts.
- ✓ We completed and published the Central Valley Project and the Salt Lake City Area Integrated Projects marketing plans. This was the culmination of years of effort on both plans. By finalizing the plans, we were able to sign 20-year contract extensions with existing customers. The contracts ensure a long-term revenue stream from the sale of Federal power and will help us meet our goal of repaying the power system investment to the U.S. Treasury.
- ✓ We made excellent progress in negotiating and signing contracts with Native American tribes in the upper Midwest. This marathon effort implements an important part of the post-2000 marketing plan for the Eastern Division of the Pick-Sloan Program. In marketing power to Native Americans, we help ensure

the most widespread use of the Federal power we market.

- ✓ Our non-hydropower program was highly successful. We were recognized nationally for our efforts in installing photovoltaic systems as part of the Million Solar Roofs Program. We completed transmission studies in the Dakotas as part of our commitment to increasing wind-generated power in our service territory.
- ✓ We had a successful construction program. Through close cooperation between the Regions and CSO Engineering, we met critical milestones with good designs. We brought projects online within deadlines. Satisfied customers praised our efforts.
- ✓ The maintenance staff kept the system in good repair, often under difficult weather conditions. We did an exemplary job in establishing partnerships with our customers for joint maintenance activities.
- ✓ The operations staff met the challenges of the changing industry by restructuring to meet the requirements of FERC Order 889. Many of our power system dispatchers are now NERC-certified. We dealt successfully every day with the new power marketers and merchant generators in the wholesale electric market.
- ✓ We completed our Strategic Plan, where we established clear goals and measures to determine whether we meet those goals. I am accountable for meeting those goals and I will hold each senior manager accountable for meeting his or her part of the plan. Each of you is responsible for learning the goals and using them to be more effective in your job.

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- ✓ We successfully completed an assessment of our environmental programs with the regional EPA staff. This self-assessment provides a blueprint for the future of our environmental programs.
- ✓ We completed the moves to new office space in Salt Lake City and Lakewood. Both moves were carefully planned and very well executed.
- ✓ Our safety program was effective, but we can and will do better. I am thankful we had relatively few on-the-job accidents, but a few employees were seriously injured. We also had an unacceptably high level of vehicle accidents.
- ✓ A lot of us put heart and soul into stabilizing the BIDSS and Maximo systems. Even with our best efforts, we still have challenges to face and more work to do.

### **2000 predictions**

I see more challenges for 2000, of course. Here are just a few:

- ✓ The Federal Energy Regulatory Commission just issued its Order No. 2000, directing the establishment of regional transmission organizations. With our control centers and ownership of 17,000 miles of transmission lines, we will be a player in this effort.

- ✓ There will be many critical hires in senior management in 2000. I will select the new Chief Information Officer, and there will be other vacancies to fill. My goal is to hire the best talent we can to fill these positions. Western employees and customers deserve nothing less.
- ✓ We must stabilize the financial management system. None of us wants to go through another year-end closing and audit project as we did this year with BIDSS. We hired an excellent project manager for the BMX project, and I expect to have a stable system in 2000.
- ✓ The appropriations process for fiscal year 2001 will be a challenge. Fewer dollars are available to Federal programs, and we must do an even better job of managing our fiscal resources.
- ✓ We need to renew our focus on working safely. I do not want any of us to have an accident while backing a vehicle. I want every craft worker to get involved in tailgate safety sessions, planning the job safely and working the plan.

These are just some of the issues we face in 2000. We will succeed.

**Michael S. HacsKaylo  
Administrator**