WAPA 10-Year Capital Plan

Colin Marquez
Acting Senior VP and Chief Financial Officer
WAPA-wide Capital Plan overview
Fiscal Years 19–28

• Invest $1.6B in transmission system
  – Decreased $29M or 2%; Average $160M/year
  – HQ plan: WAPA-wide vs. Regional allocations
  – Drivers

• Significant reimbursable work with customers and Federal partners

• Status of capital appropriations
WAPA-wide
10-Year Capital Investment Plan
(by category)

Key Investment Drivers
• T-Lines = 36%
• Subs = 36%
• Comm = 7%
• IT = 8%
• Mobile/Heavy Equip = 8%
• Aviation = 1%
WAPA-wide 10-Year Capital Investment Plan (by region)

Change by Region
- CRSP -8% (-$10.8M)
- DSW -4% (-$13.0M)
- RM -3% (-$6.7M)
- SN -2% (-$3.3M)
- UGP +1% (+$7.7M)
- HQ* -3% (-$2.5M)

* HQ = WAPA-wide Investments
What drives the plan?

• Safety and security
• Reliability through asset management
• IT lifecycle management and business needs
• Statutory and regulatory compliance
Work for Others
10-Year Capital Investment Plan
(by category)

In addition to WAPA investment of $1.6B, another $961M in reimbursable Work for Others (WFO) is planned

**Key Projects**

- **San Luis (SN)**
  - $324M total project cost
  - FY19 $114M, FY20 $88M, FY21 $64M, FY22-24 $49M

- **Colusa Sutter (SN)**
  - $263M total project cost
  - FY19 $1M, FY20 $66M, FY21 $98M, FY22-24 $94M

- **Southline (DSW)**
  - $202M total project cost
  - FY19 $10M, FY20 $152M, FY21 $30M, FY22-23 $10M

![WAPA-Wide 10-year Capital Investment Plan](image)
Status of appropriations

Capital Appropriations
FY 2010 - FY 2021

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Status of appropriations

Capital Appropriations
FY 2017 - FY 2021

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Status of appropriations

• Continued pressure on appropriation levels
• FY21: Currently formulating budget request
  • $0 appropriations anticipated for C&R
  • $8M appropriation shortfall anticipated for capital O&M
• C&R average appropriation over last 5 years: ~$8.3M/year
Capital appropriations allocation planning in FY 2017

• Issue – declining appropriations & increased costs of maintaining system requires a process for funding allocation decisions

• Approach – assembled team to develop process & recommendations

• Input – received customer input in February 2017 and posted final plan in June 2017 (Plan posted on The Source)
Capital appropriations allocation plan

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GAP $48M

APPROP. $89M

Customer $
Total Capital Committee (TCC)

Purpose
- Develop recommendations by early March

WAPA participants
- Cross-regional
- Cross-functional
- Subject matter experts

Decision criteria
- Ability to execute
- Cash flow
- Customer bill limitations
- Project risk