

Financial Discussion

Desert Southwest Region

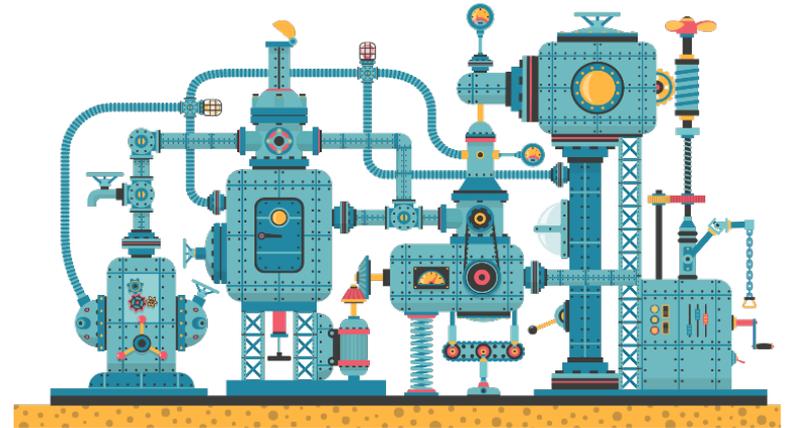
Customer Meeting

Phoenix, AZ
July 31, 2019

Dennis R. Sullivan, CFO

Topics

- Updates
 - Fiscal year (FY) 2019 financials
 - Capital appropriations
 - Purchase power & wheeling
 - Environmental funding
- Financial model challenges
 - Symptoms of a broader problem
 - Shared objectives
- Other topics
 - Financial transparency / Program collaboration
 - HQ 10-Year Capital Plan Meeting



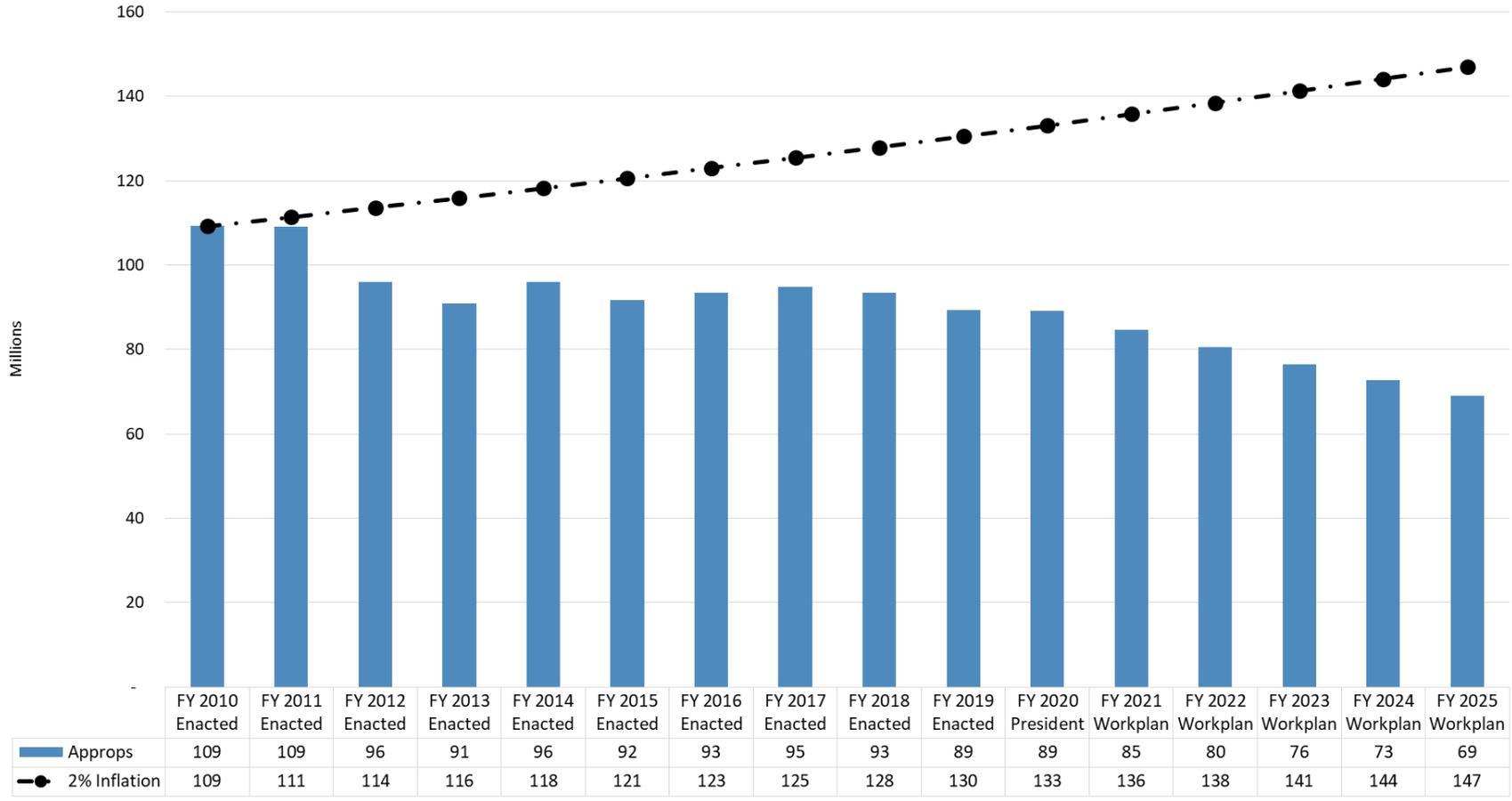
WAPA-wide FY19 Financial Execution

- **Annual O&M:** Forecasting full execution of \$302M work plan
- **Appropriations:** Forecasting \$4M under work plan
- **Total Capital:** Forecasting \$35M under work plan
- **Purchase Power & Wheeling:** Forecasting +\$37M reserves
- **Return to Treasury:** Forecasting \$213M



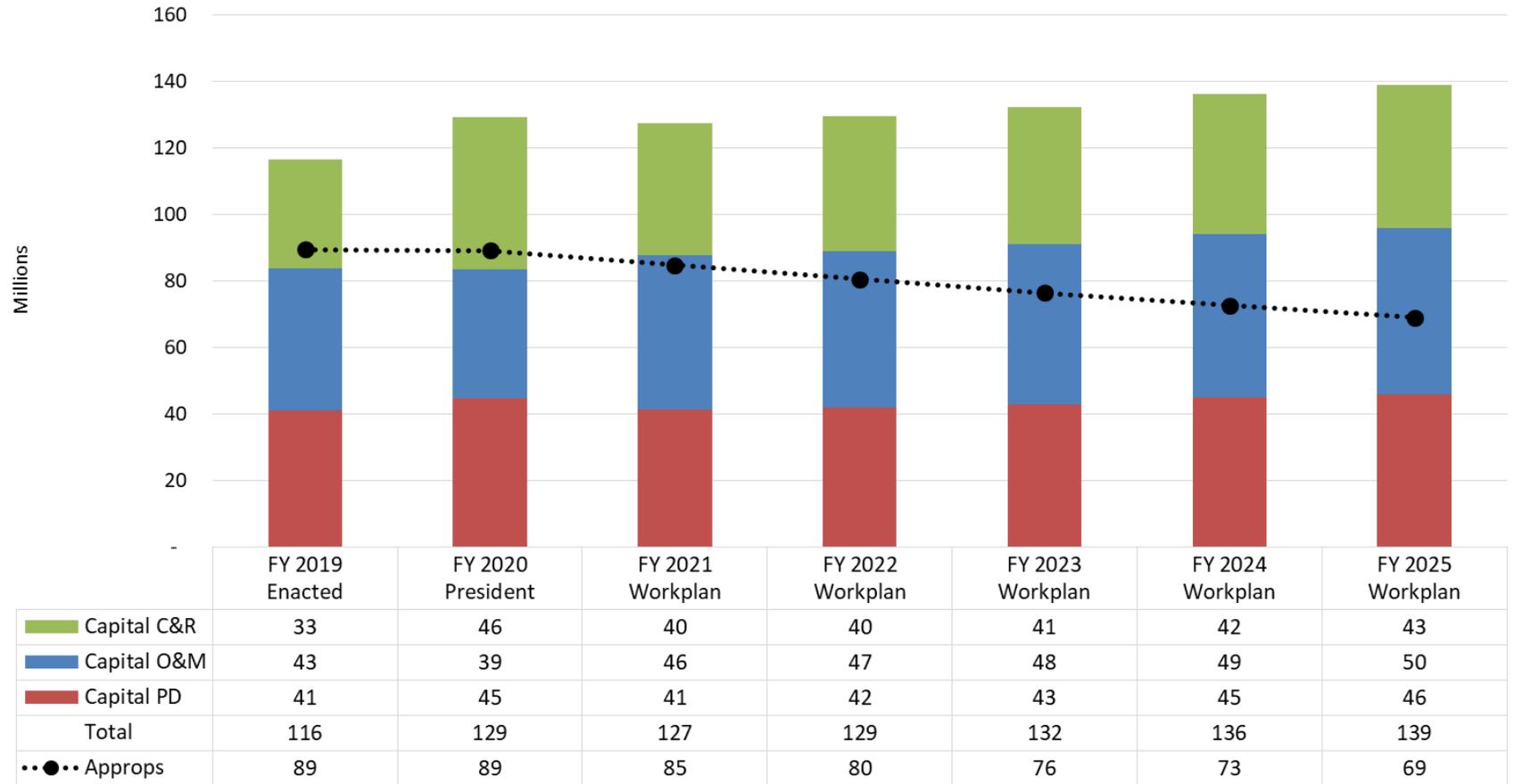
Capital Appropriations Status

Capital Appropriations
FY 2010 - FY 2025



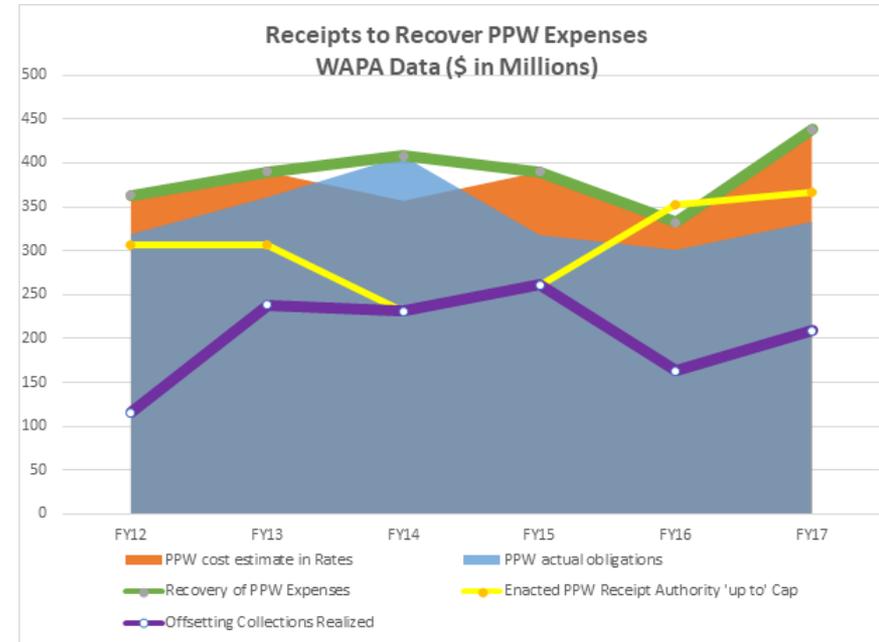
WAPA Capital Plan through 2025

Capital Appropriations
FY 2019 - FY 2025



Purchase Power & Wheeling

- FY18 Congressional report status
- The greater of:
 - Actual PPW obligations in current year, or ...
 - PPW estimate in PRS
- Reserve strategy progress
 - FY18 reserve: \$291m
 - FY19 projection : +\$39M
 - FY20 budget markup: -\$90M
- FY20 Congressional report request
 - Options for new PPW account structure



Basin Fund – Environmental Programs Funds Transfer



- Fiscal Year 2019
 - OMB administrative direction to return \$23M to Treasury
 - USBR secured appropriations
- Fiscal Year 2020
 - DRAFT House EWD bill
 - \$21.4M shall be transferred to USBR
- Sustainable solution?

Shared objectives

DISCUSSION

Financial Transparency / Program Collaboration

- Enhanced financial reviews
 - Work plans
 - Execution reviews
 - HQ 10YP
 - WAPA program leaders
- Expanded “The Source”
 - Access to historical data
- Technology & Security Symposium
- Financial transparency vs. Programmatic insight?

Financial Transparency



- Sharing historical and planned budget/execution
 - Provide opportunity for input/feedback
 - Answers: what, why, how much, value-delivered
- Results:** Common understanding of investment drivers

WAPA HQ Ten-Year Capital Plan Technical Meeting

Date: October 9, 2019

Time : 1:00 PM – 5:00 PM, MDT

Location: WAPA's Electric Power Training Center
1667 Cole Blvd. Building 19
Golden, CO 80401

Contact/follow me

Dennis Sullivan

720.962.7500

dsullivan@wapa.gov



wapa.gov



@westernareapowr

@D_Sullivan03



Dennis Sullivan



WesternAreaPower1

