

# Boulder Canyon Project



Fiscal Year 2024

Proposed Base Charge and Rates

**Boulder Canyon Project  
Summary**

(in thousands)			
Description	FY 2022 Actuals	Revised FY 2023 Budget	Proposed FY 2024 Base Charge
<b>Reclamation</b>			
Operations	\$ 7,213	\$ 8,321	\$ 8,533
Maintenance	16,177	19,542	18,578
A&GE	18,181	23,874	22,153
Extraordinary Maintenance	9,658	14,797	10,313
<b>O&amp;M</b>	<b>51,229</b>	<b>66,534</b>	<b>59,576</b>
Replacements	7,129	16,937	8,089
<b>OM&amp;R</b>	<b>58,358</b>	<b>83,470</b>	<b>67,665</b>
Post Retirement Benefits (PRB)	2,052	2,063	2,166
<b>OM&amp;R w/PRB</b>	<b>60,410</b>	<b>85,533</b>	<b>69,831</b>
<b>WAPA</b>			
Facility Expenses	1,255	1,632	1,471
Systemwide Expenses	6,163	5,961	6,802
<b>O&amp;M</b>	<b>7,419</b>	<b>7,593</b>	<b>8,273</b>
Replacements	320	830	10
<b>OM&amp;R</b>	<b>7,739</b>	<b>8,423</b>	<b>8,283</b>
Post Retirement Benefits (PRB)	389	272	310
<b>OM&amp;R w/PRB</b>	<b>8,128</b>	<b>8,695</b>	<b>8,593</b>
<b>Total O&amp;M</b>	<b>61,410</b>	<b>77,291</b>	<b>70,336</b>
<b>Total OM&amp;R</b>	<b>68,538</b>	<b>94,228</b>	<b>78,425</b>
<b>Other Expense</b>			
Visitor Services	8,646	11,572	12,300
Payments to States	600	600	600
Principal Payment - Flood Control	609	627	646
Interest - Flood Control	354	334	331
Interest - CME & Warehouse	40	30	32
<b>Total Other Expense</b>	<b>10,250</b>	<b>13,164</b>	<b>13,910</b>
<b>Total Expense</b>	<b>78,788</b>	<b>107,392</b>	<b>92,334</b>
<b>Prior Year Carryover</b>	<b>17,437</b>	<b>21,837</b>	<b>2,213</b>
<b>Other Revenue</b>			
Visitor Services - Reclamation	10,118	19,000	19,000
Ancillary Services - WAPA	2,359	1,419	1,437
Renewable Energy Certificates (REC)	-	-	-
<b>Other Revenue</b>	<b>12,477</b>	<b>20,419</b>	<b>20,437</b>
<b>Water Sales Revenue</b>	<b>694</b>	<b>550</b>	<b>550</b>
<b>Base Charge</b>	<b>\$ 48,179</b>	<b>\$ 64,586</b>	<b>\$ 69,134</b>

**Boulder Canyon Project  
FY 2022 Base Charge and FY 2022 Actuals**

<b>Description</b>	<b>FY 2022 Base Charge</b>	<b>FY 2022 Actuals</b>	<b>Change</b>
<b>Reclamation</b>			
Operations	\$ 8,023,000	\$ 7,213,487	\$ (809,513)
Maintenance	17,594,500	16,177,244	(1,417,256)
Administrative & General (A&GE)	22,883,000	18,180,507	(4,702,493)
Extraordinary Maintenance	8,160,000	9,657,897	1,497,897
<b>O&amp;M</b>	<b>56,660,500</b>	<b>51,229,135</b>	<b>(5,431,365)</b>
Replacements	10,436,500	7,128,551	(3,307,949)
<b>OM&amp;R</b>	<b>67,097,000</b>	<b>58,357,686</b>	<b>(8,739,314)</b>
Post Retirement Benefits (PRB)	1,991,582	2,052,429	60,847
<b>OM&amp;R w/PRB</b>	<b>69,088,582</b>	<b>60,410,115</b>	<b>(8,678,467)</b>
<b>WAPA</b>			
Facility Expenses	1,974,548	1,255,412	(719,136)
Systemwide Expenses	6,461,166	6,163,209	(297,957)
<b>O&amp;M</b>	<b>8,435,714</b>	<b>7,418,621</b>	<b>(1,017,093)</b>
Replacements	450,000	320,266	(129,734)
<b>OM&amp;R</b>	<b>8,885,714</b>	<b>7,738,887</b>	<b>(1,146,827)</b>
Post Retirement Benefits (PRB)	248,201	389,323	141,122
<b>OM&amp;R w/PRB</b>	<b>9,133,915</b>	<b>8,128,210</b>	<b>(1,005,705)</b>
<b>Total O&amp;M w/PRB</b>	<b>67,785,997</b>	<b>61,409,774</b>	<b>(6,376,223)</b>
<b>Total OM&amp;R w/PRB</b>	<b>78,222,497</b>	<b>68,538,325</b>	<b>(9,684,172)</b>
<b>Other Expense</b>			
Visitor Services - Reclamation	11,082,000	8,646,468	(2,435,532)
Payments to States - Reclamation	600,000	600,000	-
Principal Payment - Flood Control	609,176	609,176	0
Interest on Existing Debt - Flood Control	368,372	353,953	(14,419)
Interest - CME & Warehouse	29,089	39,963	10,874
<b>Other Expense</b>	<b>12,688,637</b>	<b>10,249,560</b>	<b>(2,439,077)</b>
<b>Total Expense</b>	<b>90,911,134</b>	<b>78,787,885</b>	<b>(12,123,249)</b>
<b>Prior Year Carryover</b>	<b>2,654,667</b>	<b>17,437,349</b>	<b>14,782,682</b>
<b>Non-Power Revenues</b>			
Visitor Services	19,000,000	10,118,471	(8,881,529)
Ancillary Services and Other	1,350,689	2,358,799	1,008,110
<b>Total Non-Power Revenues</b>	<b>20,350,689</b>	<b>12,477,270</b>	<b>(7,873,419)</b>
<b>Water Sales Revenue</b>	<b>550,000</b>	<b>694,422</b>	<b>144,422</b>
<b>Base Charge</b>	<b>\$ 67,355,778</b>	<b>\$ 48,178,845</b>	<b>\$ (19,176,934)</b>
<b>Cash Available</b>			
	-	19,176,934	
Less Change in UDO - Reclamation	-	(2,379,918)	
Less Change in UDO - WAPA	-	44,535	
Less Change in Accts. Rec. - Reclamation	-	(179,222)	
Less Change in Accts. Rec. - WAPA	-	(145,878)	
<b>FY 2022 Carryover</b>		<b>\$ 21,837,417</b>	

**Reclamation:**

Decreases in **Operations, Maintenance, Administrative & General (A&GE), Replacements,** and **Visitor Services** costs resulted from lower than anticipated expenses during the Covid-19 pandemic. Work priorities shifted to **Extraordinary Maintenance** which saw increases during FY22. **Visitor Services** revenue was lower than projected due to smaller tourism numbers during the Covid-19 pandemic.

**WAPA:**

WAPA's **O&M** costs decreased due to work being charged to the capital project for the transition to the CAISO Energy Imbalance Market.

**Boulder Canyon Project**  
**FY 2023 Base Charge and Revised FY 2023 Budget**

Description	FY 2023 Base Charge	Adjustments (MYPF)	FY 2023 Budget (FRN)	Change
<b>Reclamation</b>				
Operations	\$ 8,321,000	\$ -	\$ 8,321,000	\$ -
Maintenance	19,541,500	-	19,541,500	-
Administrative & General (A&GE)	23,874,000	-	23,874,000	-
Extraordinary Maintenance	8,350,000	6,447,400	14,797,400	6,447,400
<b>O&amp;M</b>	<b>60,086,500</b>	<b>6,447,400</b>	<b>66,533,900</b>	<b>6,447,400</b>
Replacements	9,372,500	7,564,036	16,936,536	7,564,036
<b>OM&amp;R</b>	<b>69,459,000</b>	<b>14,011,436</b>	<b>83,470,436</b>	<b>14,011,436</b>
Post Retirement Benefits (PRB)	2,062,579	-	2,062,579	-
<b>OM&amp;R w/PRB</b>	<b>71,521,579</b>	<b>14,011,436</b>	<b>85,533,015</b>	<b>14,011,436</b>
<b>WAPA</b>				
			-	
Facility Expenses	1,632,107	-	1,632,107	-
Systemwide Expenses	5,961,180	-	5,961,180	-
<b>O&amp;M</b>	<b>7,593,287</b>	<b>-</b>	<b>7,593,287</b>	<b>-</b>
Replacements	830,000	-	830,000	-
<b>OM&amp;R</b>	<b>8,423,287</b>	<b>-</b>	<b>8,423,287</b>	<b>-</b>
Post Retirement Benefits (PRB)	271,685	-	271,685	-
<b>OM&amp;R w/PRB</b>	<b>8,694,972</b>	<b>-</b>	<b>8,694,972</b>	<b>-</b>
<b>Total O&amp;M w/PRB</b>	<b>70,844,051</b>	<b>6,447,400</b>	<b>77,291,451</b>	<b>6,447,400</b>
<b>Total OM&amp;R w/PRB</b>	<b>80,216,551</b>	<b>14,011,436</b>	<b>94,227,987</b>	<b>14,011,436</b>
<b>Other Expense</b>				
Visitor Services - Reclamation	11,572,000	-	11,572,000	-
Payments to States - Reclamation	600,000	-	600,000	-
Principal Payment - Flood Control	627,451	-	627,451	-
Interest on Existing Debt - Flood Control	350,097	-	334,471	(15,626)
Interest - CME & Warehouse	29,875	-	29,875	-
<b>Subtotal Other Annual Expense</b>	<b>13,179,423</b>	<b>-</b>	<b>13,163,797</b>	<b>(15,626)</b>
<b>Total Expense</b>	<b>93,395,974</b>	<b>14,011,436</b>	<b>107,391,784</b>	<b>13,995,810</b>
<b>Prior Year Carryover</b>	<b>5,628,672</b>	<b>-</b>	<b>21,837,417</b>	<b>16,208,745</b>
<b>Non-Power Revenues</b>				
Visitor Services	19,000,000	-	19,000,000	-
Ancillary Services	1,418,742	-	1,418,742	-
Renewable Energy Certificates (REC)	-	-	-	-
<b>Total Non-Power Revenues</b>	<b>20,418,742</b>	<b>-</b>	<b>20,418,742</b>	<b>-</b>
<b>Water Sales Revenue</b>	<b>550,000</b>	<b>-</b>	<b>550,000</b>	<b>-</b>
<b>Base Charge</b>	<b>\$ 66,798,560</b>		<b>\$ 64,585,625</b>	<b>\$ 2,212,935</b>
<b>FY 2023 Carryover</b>			<b>\$ 2,212,935</b>	

**Reclamation:**

Reclamation's increases in **Operations, Maintenance, Administrative & General (A&GE), Extraordinary Maintenance, Replacements** and **Visitor Services** budgets are due to the carryover of FY 2022 unobligated funds (Multi-year Project Funds) needed to complete work in FY 2023.

**WAPA:**

No change to WAPA's budget for FY 2023

**Boulder Canyon Project**  
**FY 2024 Base Charge and Proposed FY 2024 Base Charge**

<b>Description</b>	<b>FY 2023 Base Charge</b>	<b>Proposed FY 2024 Base Charge</b>	<b>Change</b>
<b>Reclamation</b>			
Operations	\$ 8,321,000	\$ 8,532,500	\$ 211,500
Maintenance	19,541,500	18,577,500	(964,000)
Administrative & General (A&GE)	23,874,000	22,153,000	(1,721,000)
Extraordinary Maintenance	8,350,000	10,313,000	1,963,000
<b>O&amp;M</b>	<b>60,086,500</b>	<b>59,576,000</b>	<b>(510,500)</b>
Replacements	9,372,500	8,089,000	(1,283,500)
<b>OM&amp;R</b>	<b>69,459,000</b>	<b>67,665,000</b>	<b>(1,794,000)</b>
Post Retirement Benefits (PRB)	2,062,579	2,166,356	103,777
<b>OM&amp;R w/PRB</b>	<b>71,521,579</b>	<b>69,831,356</b>	<b>(1,690,223)</b>
<b>WAPA</b>			
	-	-	-
Facility Expenses	1,632,107	1,470,613	(161,494)
Systemwide Expenses	5,961,180	6,802,186	841,006
<b>O&amp;M</b>	<b>7,593,287</b>	<b>8,272,799</b>	<b>679,512</b>
Replacements	830,000	10,000	(820,000)
<b>OM&amp;R</b>	<b>8,423,287</b>	<b>8,282,799</b>	<b>(140,488)</b>
Post Retirement Benefits (PRB)	271,685	310,349	38,664
<b>OM&amp;R w/PRB</b>	<b>8,694,972</b>	<b>8,593,148</b>	<b>(101,824)</b>
<b>Total O&amp;M w/PRB</b>	<b>70,844,051</b>	<b>70,335,504</b>	<b>(508,547)</b>
<b>Total OM&amp;R w/PRB</b>	<b>80,216,551</b>	<b>78,424,504</b>	<b>(1,792,047)</b>
<b>Other Expense</b>			
	-	-	-
Visitor Services - Reclamation	11,572,000	12,300,000	728,000
Payments to States - Reclamation	600,000	600,000	-
Principal Payment - Flood Control	627,451	646,275	18,824
Interest on Existing Debt - Flood Control	350,097	331,274	(18,824)
Interest - CME & Warehouse	29,875	32,157	2,282
<b>Other Expense</b>	<b>13,179,423</b>	<b>13,909,705</b>	<b>730,282</b>
<b>Total Expense</b>	<b>93,395,974</b>	<b>92,334,209</b>	<b>(1,061,765)</b>
<b>Prior Year Carryover</b>	<b>5,628,672</b>	<b>2,212,935</b>	<b>(3,415,737)</b>
<b>Non-Power Revenues</b>			
	-	-	-
Visitor Services	19,000,000	19,000,000	-
Ancillary Services	1,418,742	1,436,989	18,247
Renewable Energy Certificates (REC)	-	-	-
<b>Total Non-Power Revenues</b>	<b>20,418,742</b>	<b>20,436,989</b>	<b>18,247</b>
<b>Water Sales Revenue</b>	<b>550,000</b>	<b>550,000</b>	<b>-</b>
<b>Base Charge</b>	<b>\$ 66,798,560</b>	<b>\$ 69,134,285</b>	<b>\$ 2,335,725</b>

\* Details on next page

**Boulder Canyon Project**  
**FY 2024 Base Charge and Proposed FY 2024 Base Charge**

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**Reclamation:**

**Operations** budget increase is due to added service costs for SCADA & other IT Software contracts as well as increases in IT life cycle equipment costs (i.e. firewall, Kepware hardware, workstations, laptops, etc.).

**Maintenance** budget decrease is due to a decrease in salaries and benefits primarily attributed to the elimination of 3 FTE's and additional support from Maintenance to Visitor Services.

**A&GE** budget decrease is due to a reduction in miscellaneous charges, training, travel, material and supplies primarily attributed to the reevaluation of trends and lower than anticipated costs. Services budget decrease is primarily attributed to updated contract percentages and the realignment of security contract.

**Extraordinary Maintenance** budget increase is primarily attributed to several FY 2024 projects including but not limited to: Penstock and Lateral Spot Coating, A-5 Stator Re-Wedge, & Generator Step-Up (GSU), and Transformer Maintenance.

**Replacements** budget decrease is primarily due to management's effort to levelize the RAX budget. Projects delayed include the N7 Oil System Replacement, 480-Volt Switchgear, Water Plant & Wastewater Plant Controls replacement projects.

**Visitor Services** budget increase is primarily due to the National Park Services Security Agreement realigned from Security Forces to Visitor Services, as well as additional support from Security Forces & Maintenance.

**WAPA:**

**O&M** budget increase is primarily the result of increased labor rates and support costs due to higher inflation costs. To lessen the increase, WAPA reduced Transmission Line Maintenance, Communication Systems Support, and Substation Maintenance budgets. These reductions are not expected to materially affect the reliability of the transmission assets. WAPA also reduced Conservation and Renewable Energy and Power Marketing costs. No adverse programmatic impacts are expected as a result of these reductions.

**Replacements** budget decrease is the result of WAPA deferring breaker and relay replacements until at least FY 2026 to minimize costs.

**PRB** budget increase is based on a 5-year average of actual expenses. Higher FY 2018 and FY 2019 expenditures are increasing the average.

**Ancillary Services** budget increase is based on a 5-year average of actual revenue. Higher FY 2018 and FY 2022 revenues are increasing this average.

**Boulder Canyon Project  
Proposed Base Charge Comparison**

Description	Measure	FY 2023 Base Charge	Proposed FY 2024 Base Charge	Change	
				Amount	%
Base Charge		\$66,798,560	\$69,134,285	\$2,335,725	3.5%
Energy Projection	MWh	2,977,624	2,888,088	(89,536)	-3.0%
Composite Rate	Mills/kWh	22.43	23.94	1.51	6.7%
Energy Rate	Mills/kWh	11.22	11.97	0.75	6.7%
Capacity Projection	kW	1,285,167	1,192,467	(92,700)	-7.2%
Capacity Rate	(\$/kW-Mo)	\$2.17	\$2.42	\$0.25	11.5%

- Energy and capacity projections based on January 2023 projections
- Energy and capacity projections will be updated by June 1, 2023 using the Final FY 2024 Master Schedule