

Boulder Canyon Project 3/20/2019 Informal Customer Meeting Response

Is the Drought Contingency Plan (DCP) or Tier 1 Shortage Criteria factored into the FY 2020 Master Schedule that was used in the preliminary rate calculations?

The draft DCP, as it was awaiting formal approval, and Tier 1 Shortage Criteria were not factored into the first draft of the Master Schedule published on March 1, 2019. It may be included in the final FY 2020 Master Schedule.

Why is WAPA's Systemwide budget in FY 2019 30% higher than FY 2018's actuals?

WAPA's FY 2019 Systemwide Expense budget increased by \$586,847, a 10% increase, from the FY 2018 budget as a result of a projected rise in engineering salaries. Since WAPA under-executed Systemwide Expenses in FY 2018 by \$1,154,140, there is a larger difference between FY 2018 actuals and FY 2019 budget values. The under-execution in FY 2018 was a result of changes in how WAPA allocates Information Technology costs. Overall, WAPA's FY 2019 budget decreased 0.1% (\$4,738) from FY 2018.

Please provide carryover balances for the past 10 years.

The chart below reflects the carryover balances from FY 2010 through FY 2019. The carryover includes funds collected in prior years that have not yet been obligated. Reclamation and WAPA project utilizing the entire carryover balance each year.

Fiscal Year	Carryover
2010	4,083,454
2011	4,119,778
2012	7,384,217
2013	13,062,333
2014	18,691,070
2015	30,965,794
2016	23,452,354
2017	23,817,193
2018	11,885,531
2019	0



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Where do Reclamation and WAPA budget contingency funds?

Reclamation's contingency funds (\$300,000) for the 30-year marketing period ending in FY 2017 were returned to the customers. Reclamation includes contingency funds (\$300,000) in its annual budget; however, those funds have not been included in the base charge and have not been recollected for the 50-year marketing period, which began in FY 2018. Reclamation is evaluating the need to have contingency funds budgeted in future years. WAPA's contingency funds (\$100,000) are budgeted in Facility Expense under the Substation Maintenance category and have been collected annually. WAPA's unused contingency funds are carried over into the next fiscal year.

In FY 2018, what projects did Reclamation reprogram from the Administrative & General Expense (A&GE) and Extraordinary Maintenance categories to the Maintenance and Replacement categories? Why?

In FY 2018, funding was reprogrammed from the A&GE and Maintenance budget categories due to lower than anticipated staff, overhead, and Operations & Maintenance costs. These funds were moved to several Extraordinary Maintenance and Replacement projects, including Sludge Pond Lining, Turbine Pit Area Machining, Exciter Rebuild, Pressure Release Valve (PRV) Modernization and Generator Coolers, due to higher than anticipated costs in these areas.

