

# Boulder Canyon Project



## Fiscal Year 2025 Proposed Base Charge and Rates

## Boulder Canyon Project Summary

(in thousands)		Revised	Proposed
Description	FY 2023 Actuals	FY 2024 Budget	FY 2025 Base Charge
<b>Reclamation</b>			
Operations	\$ 7,343	\$ 8,533	\$ 8,881
Maintenance	16,971	28,629	19,966
A&GE	18,554	21,853	22,379
Extraordinary Maintenance	9,748	10,813	9,172
<b>O&amp;M</b>	<b>52,616</b>	<b>69,828</b>	<b>60,398</b>
Replacements	2,972	22,843	10,417
<b>OM&amp;R</b>	<b>55,588</b>	<b>92,670</b>	<b>70,815</b>
Post Retirement Benefits (PRB)	2,773	2,166	2,275
<b>OM&amp;R w/PRB</b>	<b>58,362</b>	<b>94,836</b>	<b>73,090</b>
<b>WAPA</b>			
Facility Expenses	1,272	1,471	1,838
Systemwide Expenses	6,416	7,002	7,206
<b>O&amp;M</b>	<b>7,687</b>	<b>8,473</b>	<b>9,044</b>
Replacements	671	1,042	752
<b>OM&amp;R</b>	<b>8,358</b>	<b>9,514</b>	<b>10,306</b>
Post Retirement Benefits (PRB)	305	310	309
<b>OM&amp;R w/PRB</b>	<b>8,663</b>	<b>9,825</b>	<b>10,615</b>
<b>Total O&amp;M</b>	<b>64,053</b>	<b>81,819</b>	<b>72,779</b>
<b>Total OM&amp;R</b>	<b>67,025</b>	<b>104,661</b>	<b>83,196</b>
<b>Other Expense</b>			
Visitor Services	9,726	12,300	12,570
Payments to States	600	600	600
Principal Payment - Flood Control	627	646	666
Interest - Flood Control	334	363	312
Interest - CME & Warehouse	24	32	31
<b>Total Other Expense</b>	<b>11,311</b>	<b>13,941</b>	<b>14,178</b>
<b>Total Expense</b>	<b>78,336</b>	<b>118,603</b>	<b>97,374</b>
<b>Prior Year Carryover</b>	<b>21,837</b>	<b>27,378</b>	<b>4,097</b>
<b>Other Revenue</b>			
Visitor Services - Reclamation	13,382	19,000	17,000
Ancillary Services - WAPA	1,320	1,437	1,357
<b>Other Revenue</b>	<b>14,702</b>	<b>20,437</b>	<b>18,357</b>
<b>Water Sales Revenue</b>	<b>609</b>	<b>550</b>	<b>550</b>
<b>Base Charge</b>	<b>\$ 41,187</b>	<b>\$ 70,238</b>	<b>\$ 74,334</b>

**Boulder Canyon Project**  
**FY 2023 Base Charge and FY 2023 Actuals**

<b>Description</b>	<b>FY 2023 Base Charge</b>	<b>FY 2023 Actuals</b>	<b>Change</b>
<b><u>Reclamation</u></b>			
Operations	\$ 8,321,000	\$ 7,343,194	\$ (977,806)
Maintenance	19,541,500	16,970,816	(2,570,684)
Administrative & General (A&GE)	23,874,000	18,553,903	(5,320,097)
Extraordinary Maintenance	8,350,000	9,748,185	1,398,185
<b>O&amp;M</b>	<b>60,086,500</b>	<b>52,616,098</b>	<b>(7,470,402)</b>
Replacements	9,372,500	2,972,261	(6,400,239)
<b>OM&amp;R</b>	<b>69,459,000</b>	<b>55,588,359</b>	<b>(13,870,641)</b>
Post Retirement Benefits (PRB)	2,062,579	2,773,413	710,834
<b>OM&amp;R w/PRB</b>	<b>71,521,579</b>	<b>58,361,772</b>	<b>(13,159,807)</b>
<b><u>WAPA</u></b>			
Facility Expenses	1,632,107	1,271,730	(360,377)
Systemwide Expenses	5,961,180	6,415,615	454,435
<b>O&amp;M</b>	<b>7,593,287</b>	<b>7,687,345</b>	<b>94,058</b>
Replacements	830,000	670,895	(159,105)
<b>OM&amp;R</b>	<b>8,423,287</b>	<b>8,358,239</b>	<b>(65,048)</b>
Post Retirement Benefits (PRB)	271,685	305,107	33,422
<b>OM&amp;R w/PRB</b>	<b>8,694,972</b>	<b>8,663,346</b>	<b>(31,626)</b>
<b>Total O&amp;M w/PRB</b>	<b>70,844,051</b>	<b>64,052,857</b>	<b>(6,791,194)</b>
<b>Total OM&amp;R w/PRB</b>	<b>80,216,551</b>	<b>67,025,118</b>	<b>(13,191,433)</b>
<b><u>Other Expense</u></b>			
Visitor Services - Reclamation	11,572,000	9,725,529	(1,846,471)
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	23,677	(6,198)
<b>Other Expense</b>	<b>13,179,423</b>	<b>11,311,128</b>	<b>(1,868,295)</b>
<b>Total Expense</b>	<b>93,395,974</b>	<b>78,336,246</b>	<b>(15,059,728)</b>
<b>Prior Year Carryover</b>	<b>5,628,672</b>	<b>21,837,417</b>	<b>16,208,745</b>
<b><u>Non-Power Revenues</u></b>			
Visitor Services	19,000,000	13,381,885	(5,618,115)
Ancillary Services and Other	1,418,742	1,320,199	(98,543)
<b>Total Non-Power Revenues</b>	<b>20,418,742</b>	<b>14,702,084</b>	<b>(5,716,658)</b>
<b>Water Sales Revenue</b>	<b>550,000</b>	<b>609,414</b>	<b>59,414</b>
<b>Base Charge</b>	<b>\$ 66,798,560</b>	<b>\$ 41,187,331</b>	<b>\$ (25,611,229)</b>
<b><u>Cash Available</u></b>			
	-	25,611,229	
Less Change in UDO - Reclamation	-	(1,558,152)	
Less Change in UDO - WAPA	-	(199,386)	
Less Change in Accts. Rec. - Reclamation	-	(25,890)	
Less Change in Accts. Rec. - WAPA	-	16,801	
<b>FY 2023 Carryover</b>		<b>\$ 27,377,856</b>	

**Reclamation:**

Decreases in **Operations**, **Maintenance**, **Administrative & General (A&GE)**, **Replacements**, and **Visitor Services** costs resulted from lower than anticipated expenses, work priorities shifted to **Extraordinary Maintenance** in FY23. **Visitor Services** revenue was lower than projected due to lower tourism numbers.

**WAPA:**

WAPA's **O&M** costs increased due to an increase in Power Marketing costs for the coordination of the Renewable Energy Certificate program and an increase in depreciation costs.

**Boulder Canyon Project**  
**FY 2024 Base Charge and Revised FY 2024 Budget**

<b>Description</b>	<b>FY 2024 Base Charge</b>	<b>Adjustments (MYPF)</b>	<b>FY 2024 Budget (FRN)</b>	<b>Change</b>
<b>Reclamation</b>				
Operations	\$ 8,532,500	\$ -	\$ 8,532,500	\$ -
Maintenance	18,577,500	2,942,403	21,519,903	2,942,403
Administrative & General (A&GE)	21,853,000	-	21,853,000	-
Extraordinary Maintenance	10,313,000	7,573,013	17,886,013	7,573,013
<b>O&amp;M</b>	<b>59,276,000</b>	<b>10,515,416</b>	<b>69,791,416</b>	<b>10,515,416</b>
Replacements	12,639,000	10,203,515	22,842,515	10,203,515
<b>OM&amp;R</b>	<b>71,915,000</b>	<b>20,718,931</b>	<b>92,633,931</b>	<b>20,718,931</b>
Post Retirement Benefits (PRB)	2,166,356	-	2,166,356	-
<b>OM&amp;R w/PRB</b>	<b>74,081,356</b>	<b>20,718,931</b>	<b>94,800,287</b>	<b>20,718,931</b>
<b>WAPA</b>				
Facility Expenses	1,470,613	-	1,470,613	-
Systemwide Expenses	6,802,186	200,000	7,002,186	200,000
<b>O&amp;M</b>	<b>8,272,799</b>	<b>200,000</b>	<b>8,472,799</b>	<b>200,000</b>
Replacements	960,000	81,650	1,041,650	81,650
<b>OM&amp;R</b>	<b>9,232,799</b>	<b>281,650</b>	<b>9,514,449</b>	<b>281,650</b>
Post Retirement Benefits (PRB)	310,349	-	310,349	-
<b>OM&amp;R w/PRB</b>	<b>9,543,148</b>	<b>281,650</b>	<b>9,824,798</b>	<b>281,650</b>
<b>Total O&amp;M w/PRB</b>	<b>70,985,504</b>	<b>10,797,066</b>	<b>81,782,570</b>	<b>10,797,066</b>
<b>Total OM&amp;R w/PRB</b>	<b>83,624,504</b>	<b>21,000,581</b>	<b>104,625,085</b>	<b>21,000,581</b>
<b>Other Expense</b>				
Visitor Services - Reclamation	12,300,000	-	12,300,000	-
Payments to States - Reclamation	600,000	-	600,000	-
Principal Payment - Flood Control	646,275	-	646,275	-
Interest on Existing Debt - Flood Control	331,274	31,576	362,850	31,576
Interest - CME & Warehouse	32,157	-	32,157	-
<b>Subtotal Other Annual Expense</b>	<b>13,909,705</b>	<b>31,576</b>	<b>13,941,281</b>	<b>31,576</b>
<b>Total Expense</b>	<b>97,534,209</b>	<b>21,032,157</b>	<b>118,566,366</b>	<b>21,032,157</b>
<b>Prior Year Carryover</b>	<b>2,212,935</b>	<b>-</b>	<b>27,377,856</b>	<b>25,164,921</b>
<b>Non-Power Revenues</b>				
Visitor Services	19,000,000	-	19,000,000	-
Ancillary Services	1,436,989	-	1,436,989	-
<b>Total Non-Power Revenues</b>	<b>20,436,989</b>	<b>-</b>	<b>20,436,989</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>\$ 74,334,285</b>	<b>-</b>	<b>\$ 70,201,521</b>	<b>\$ (4,132,764)</b>
<b>FY 2024 Carryover</b>	<b>-</b>	<b>-</b>	<b>\$ 4,132,764</b>	<b>-</b>

**Reclamation:**

Reclamation's increases in **Operations, Maintenance, Administrative & General (A&GE), Extraordinary Maintenance, and Replacements** budgets are due to the carryover of FY 2023 unobligated funds (Multi-year Project Funds) needed to complete work in FY 2024.

**WAPA:**

WAPA increase in **Systemwide Expenses** and **RRADs** is due to the carryover of FY 2023 funds for depreciation and RRADs in FY 2024.

**Boulder Canyon Project**  
**FY 2024 Base Charge and Proposed FY 2025 Base Charge**

<b>Description</b>	<b>FY 2024 Base Charge</b>	<b>Proposed FY 2025 Base Charge</b>	<b>Change</b>
<b>Reclamation</b>			
Operations	\$ 8,532,500	\$ 8,881,000	\$ 348,500
Maintenance	18,577,500	19,966,300	1,388,800
Administrative & General (A&GE)	21,853,000	22,378,700	525,700
Extraordinary Maintenance	10,313,000	9,172,000	(1,141,000)
<b>O&amp;M</b>	<b>59,276,000</b>	<b>60,398,000</b>	<b>1,122,000</b>
Replacements	12,639,000	10,417,000	(2,222,000)
<b>OM&amp;R</b>	<b>71,915,000</b>	<b>70,815,000</b>	<b>(1,100,000)</b>
Post Retirement Benefits (PRB)	2,166,356	2,274,915	108,559
<b>OM&amp;R w/PRB</b>	<b>74,081,356</b>	<b>73,089,915</b>	<b>(991,441)</b>
<b>WAPA</b>			
Facility Expenses	1,470,613	1,839,000	368,387
Systemwide Expenses	6,802,186	7,205,800	403,614
<b>O&amp;M</b>	<b>8,272,799</b>	<b>9,044,800</b>	<b>772,001</b>
Replacements	960,000	752,000	(208,000)
<b>OM&amp;R</b>	<b>9,232,799</b>	<b>9,796,800</b>	<b>564,001</b>
Post Retirement Benefits (PRB)	310,349	309,178	(1,171)
<b>OM&amp;R w/PRB</b>	<b>9,543,148</b>	<b>10,105,978</b>	<b>562,830</b>
<b>Total O&amp;M w/PRB</b>	<b>70,985,504</b>	<b>72,778,893</b>	<b>1,793,389</b>
<b>Total OM&amp;R w/PRB</b>	<b>83,624,504</b>	<b>83,195,893</b>	<b>(428,611)</b>
<b>Other Expense</b>			
Visitor Services - Reclamation	12,300,000	12,570,000	270,000
Payments to States - Reclamation	600,000	600,000	-
Principal Payment - Flood Control	646,275	665,663	19,388
Interest on Existing Debt - Flood Control	331,274	311,885	(19,388)
Interest - CME & Warehouse	32,157	30,637	(1,520)
<b>Other Expense</b>	<b>13,909,705</b>	<b>14,178,185</b>	<b>268,480</b>
<b>Total Expense</b>	<b>97,534,209</b>	<b>97,374,078</b>	<b>(160,131)</b>
<b>Prior Year Carryover</b>	<b>2,212,935</b>	<b>4,132,764</b>	<b>1,919,829</b>
<b>Non-Power Revenues</b>			
Visitor Services	19,000,000	17,000,000	(2,000,000)
Ancillary Services	1,436,989	1,357,029	(79,960)
<b>Total Non-Power Revenues</b>	<b>20,436,989</b>	<b>18,357,029</b>	<b>(2,079,960)</b>
<b>Water Sales Revenue</b>	<b>550,000</b>	<b>550,000</b>	<b>-</b>
<b>Base Charge</b>	<b>\$ 74,334,285</b>	<b>\$ 74,334,285</b>	<b>\$ 0</b>

\* Details on next page

**Boulder Canyon Project**  
**FY 2024 Base Charge and Proposed FY 2025 Base Charge**

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**Reclamation:**

**Operations** budget increase is due to two additional FTE's, increase for bargaining board employees and annual salary increases, an increase in water scheduling budget due to reevaluation of staffing budget needs by Boulder Canyon Project Operations Office, as well as increases in direct charges of various project activities.

**Maintenance** budget increase is due to an increase in salaries and benefits primarily attributed to increase for bargaining board employees annual salary increases. As well as the credit decrease for the Maintenance support towards RAX projects.

**A&GE** budget increase is due to two additional FTE's, increase for bargaining board employees and annual salary increases, an increase in training and travel moving back to pre-COVID needs, and an increase in Regional IT support costs.

**Extraordinary Maintenance** budget decrease is primarily due to management's effort to levelize the RAX budget, decreased scope for FY 2025 projects including but not limited to: Penstock and Lateral Spot Coating, A5 Stator Rewedge, Partial Discharge Monitors, and Hoover Generator Step-Up (GSU).

**Replacements** budget decrease is primarily due to management's effort to levelize the RAX budget.

**Visitor Services** budget increase is primarily due to increase for bargaining board employees and annual salary increases.

**WAPA:**

**O&M** budget increase is primarily the result of increased labor rates and support costs due to higher inflation. These main drivers are in the following areas: Transmission Line Maintenance, Communication Systems Support, Substation Maintenance, and System Operations and Load Dispatching.

**Replacements** budget decrease, continue replacement of breakers and relays.

**PRB** decrease is based on a 5-year average of actual expenses. Expenditures in FY 2020 and FY 2023 are decreasing the average.

**Ancillary Services** increase is based on a 5-year average of actual revenue. Revenues in FY 2020 and FY 2023 are decreasing this average.

**Boulder Canyon Project  
Proposed Base Charge Comparison**

Description	Measure	FY 2024 Base Charge	Proposed FY 2025 Base Charge	Change	
				Amount	%
Base Charge		\$74,334,285	\$74,334,285	\$0	0.0%
Energy Projection	MWh	3,217,907	3,021,000	(196,907)	-6.1%
Composite Rate	Mills/kWh	23.10	24.61	1.51	6.5%
Energy Rate	Mills/kWh	11.55	12.30	0.75	6.5%
Capacity Projection	kW	1,441,917	1,415,583	(26,334)	-1.8%
Capacity Rate	(\$/kW-Mo)	\$2.15	\$2.19	\$0.04	1.9%

- Energy and capacity projections based on January 2024 projections
- Energy and capacity projections will be updated by June 1, 2024 using the Final FY 2025 Master Schedule