



Boulder Canyon Project

Public Information Forum

Fiscal Year 2027 Base Charge

July 16, 2026
10 am MST/PDT



Participant Instructions

- Exit and restroom locations
- For the courtesy of other participants and to facilitate transcription of the meeting, please save all questions and comments until the end of the presentation
- All Teams participants are muted during the presentation to ensure a smooth meeting



Agenda

- Base Charge and Rates Formulas
- Base Charge and Rates Summary
- FY 2027 Proposed Base Charge and Rates
- Timeline
- Resources
- Open Forum

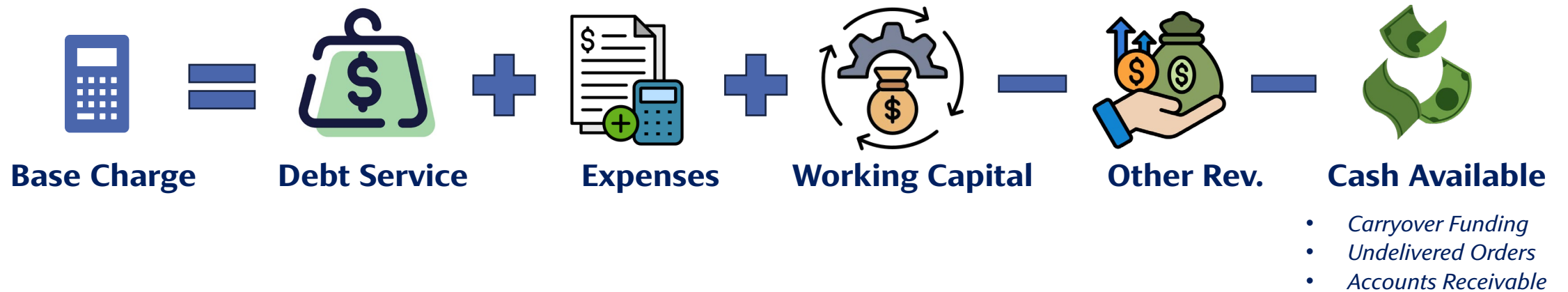


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Base Charge Formula



Contractors are charged a proportionate share of the annual base charge using a capacity and energy charge

Rates

Composite Rate

Base Charge

Energy Projection

Energy Rate

(50% of Base Charge)

Energy Projection

Capacity Rate

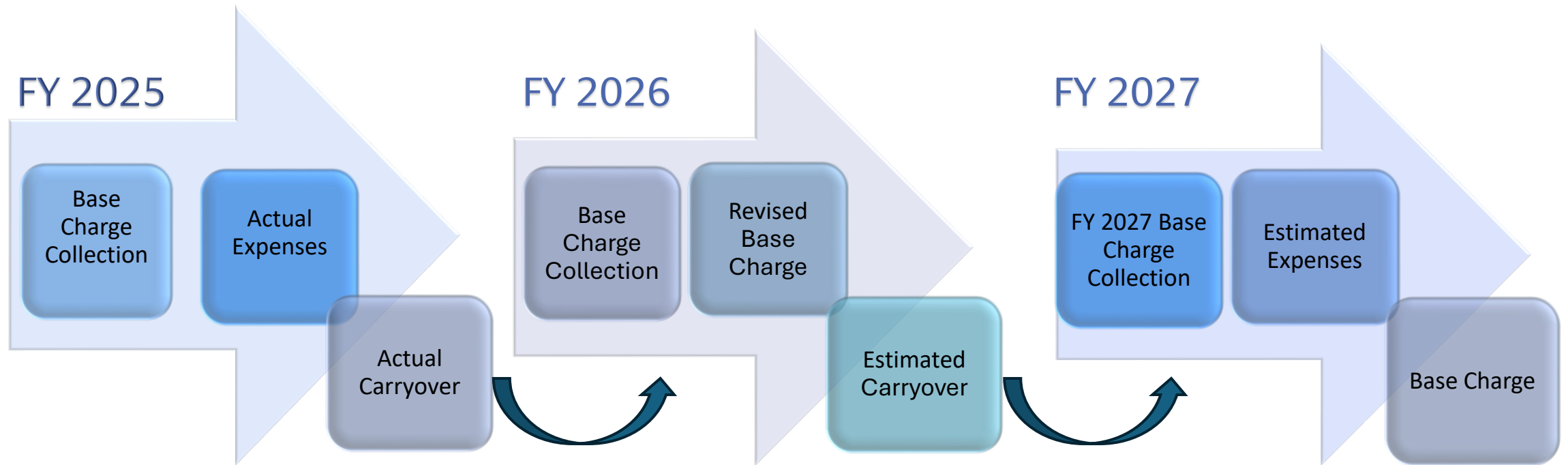
(50% of Base Charge)

Capacity Projection

Rates are calculated for informational purposes



Base Charge



FY 2027 Proposed Base Charge and Rates

	FY 2026		FY 2027			
		Base Charge		Proposal	Change	%
Base Charge	\$	76,174,568	\$	76,174,568	\$ -	0.0%
Energy Projection (MWh)		2,942,170		2,655,768	(286,402)	-9.7%
Composite Rate		25.89		28.68	2.79	10.8%
Energy Rate (Mills/kWh)		12.95		14.34	1.39	10.7%
Capacity Projection (kW)		1,396,000		1,243,667	(152,333)	-10.9%
Capacity Rate (\$/kW-Mo)	\$	2.27	\$	2.55	\$ 0.28	12.3%

Rates are calculated for informational purposes

* Derived from Final Ten-Year Operating Plan published January 29, 2026

** Energy and capacity projections updated based on the June 22, 2026, published FY 2027 Final Master Schedule



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FY 2027 Proposed Base Charge Summary

	FY 2026 Base Charge	FY 2027 Proposal	YoY Change	%
Bureau of Reclamation				
O&M	63,501,000	65,213,000	1,712,000	
Replacements ⁽¹⁾	7,919,000	7,441,000	(478,000)	
Visitor Services	13,342,000	14,863,000	1,521,000	
Payments to States	600,000	600,000	-	
Principal and Interest	977,548	979,000	1,452	
	86,339,548	89,096,000	2,756,452	3%
Western Area Power Administration				
O&M	8,438,316	8,560,000	121,684	
Replacements	620,705	-	(620,705)	
Post Retirement Benefits	-	-	-	
Interest	31,485	34,000	2,515	
	9,090,506	8,594,000	(496,506)	-5%
Total Expense	95,430,054	97,690,000	2,259,946	2%
less Prior Year Carryover	429,430	2,742,106	2,312,676	539%
less Non-power Revenue	18,826,056	18,773,326	(52,730)	0%
Base Charge	\$ 76,174,568	\$ 76,174,568	\$ -	0%

⁽¹⁾ Does not include PRB Funded Projects



FY 2027 O&M - Reclamation

O&M	FY 2026 Base Charge	FY 2027 TYOP	Post-TYOP Adjustments	FY 2027 Proposal	YoY Change	%
Bureau of Reclamation						
Operations	9,014,000	8,973,000	-	8,973,000	(41,000)	0%
Maintenance	21,718,900	24,074,000	-	24,074,000	2,355,100	11%
A&GE	23,122,100	23,438,000	-	23,438,000	315,900	1%
Extraordinary Maintenance	9,646,000	9,428,000	(700,000)	8,728,000	(918,000)	-10%
O&M	\$ 63,501,000		\$ (700,000)	\$ 65,213,000	\$ 1,712,000	3%

- Operations budget decreased \$41k
 - Reductions in Water Scheduling, Materials and Services
- Maintenance budget increased \$2.4M
 - Increase in overhead percentages
 - Increased salaries for GS and bargaining board employees



FY 2027 O&M - Reclamation (continued)

- Administrative and General Expense (A&GE) budget increased \$316k
 - Increase in overhead percentages
 - Increased salaries for GS and bargaining board employees



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FY 2027 Extraordinary Maintenance

Line #		FY 2026 Base Charge	FY 2027 TYOP	Post-TYOP Adjustment	FY 2027 Proposal	YoY Change	%
Bureau of Reclamation							
13	Spillway, Penstock & Dam Abutment Drain Cleaning	500,000	-	-	-		
21	Hoover Generator Step-Up (GSU) Transformers	1,468,000	-	-	-		
20	Partial Discharge Monitors	50,000	-	-	-		
27	Unit N1 Brake Plate Replacement	50,000	-	-	-		
1	Power Plant Piping Management Plan	1,275,000	500,000	-	500,000		
2	Fire Piping Plan	1,325,000	500,000	-	500,000		
3	Crane Inspection and Repair	400,000	1,328,000	-	1,328,000		
4	Tail Bay Stop Logs Coating	500,000	540,000	-	540,000		
5	Penstocks and Lateral Spot Coating	2,250,000	2,730,000	-	2,730,000		
11	Rock Fall Mitigation	500,000	550,000	-	550,000		
12	Erosion Repair	100,000	700,000	-	700,000		
17	Water Tank Inspection and Repair	860,000	610,000	-	610,000		
22	*Hoover Dam Observation Areas Enhancements	6,000	50,000	-	50,000		
24	*Visitor Center Theaters Renovation	12,000	50,000	-	50,000		
15	Lower Portal Road Erosion Control	100,000	500,000	-	500,000		
25	Cincinnati Boring Mills	750,000	750,000	(700,000)	50,000		
10	Public Restroom & Drinking Water System Expansion	-	65,000	-	65,000		
20	Tour Route Refurbishment	-	105,000	-	105,000		
29	Exciter Repair	-	450,000	-	450,000		
**Extraordinary Maintenance		\$ 9,646,000	\$ 9,428,000	\$ (700,000)	\$ 8,728,000	\$ (918,000)	-10%



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*Southern Nevada Public Land Management Act (SNPLMA) Projects

**Aligned FY 2026 project funding with the FY 2026 base charge; FY 2027 TYOP, reduced by \$500k

FY 2027 Extraordinary Maintenance (continued)

Decrease in Extraordinary Maintenance of \$918k

Some larger line-item projects include:

- Penstock and Lateral Spot Coating
- Crane Inspection and Repair
- Erosion Repair
- Water Tank Inspection and Repair
- Rock Fall Mitigation
- Tail Bay Stop Log Coating
- Power Plant Piping Management Plan
- Fire Piping Plan
- Lower Portal Road Erosion Control



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FY 2027 Replacements - Reclamation

Line #		FY 2026	FY 2027	Post-TYOP	FY 2027	YoY	
		Base Charge	TYOP	Adjustment	Proposal	Change	
#	Bureau of Reclamation						%
20	A9 Wide Head Turbine	1,500,000	50,000	(50,000)	-		
87	A8 Turbine Runner Seal Ring and Machining	-	-	227,000	227,000		
7	Replace 480-Volt Switchgear	500,000	540,000	-	540,000		
1	Rebuild and Replace Generator Coolers	502,000	502,000	273,000	775,000		
3	Cylinder Gate Stem Evaluation and Replacement	3,000,000	1,000,000	-	1,000,000		
9	Unit Control Modernization (UCM) Life Cycle Replacement	887,000	1,024,000	-	1,024,000		
12	2300-Volt Vacuum Circuit Breaker Replacement	120,000	520,000	(500,000)	20,000		
13	HVAC Replacement and 7th and 8th Floor Renovation	500,000	1,725,000	-	1,725,000		
14	Visitor Center (VC) Distribution Feeders Replacement	910,000	610,000	-	610,000		
21	Breaker Replacements	-	110,000	-	110,000		
22	N2 Wicket Gate & Facing Plates Replacement	-	400,000	-	400,000		
5	Replacement Air Compressors	-	400,000	-	400,000		
15	Station Service Battery Replacement	-	610,000	-	610,000		
Replacements		\$ 7,919,000	\$ 7,491,000	(50,000)	\$ 7,441,000	\$ (478,000)	-6%

- Replacements budget decrease is primarily due to management's effort to level the budget expenses



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FY 2027 Replacements – PRB Funded

Line #		Revised FY 2027 Budget	FY 2027 PRB Funded
#	Bureau of Reclamation		
24	A8 Wide Head Turbine Runner Replacement	1,423,000	1,423,000
25	Wide Head Turbine Design, Model, & Manufacture	1,050,000	1,050,000
26	A2 & N7 Wide Head Range Runners	6,400,000	6,400,000
Replacements - PRB Funded		\$ 8,873,000	\$ 8,873,000

- Replacements projects funded by Post-Retirement Benefits funds



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FY 2027 Other Expenses - Reclamation

Other Expenses	FY 2026 Base Charge	FY 2027 Proposal	YoY Change	%
Bureau of Reclamation				
Visitor Services	13,342,000	14,863,000	1,521,000	11%
Payments to States	600,000	600,000	-	0%
Principal and Interest - Flood Control	977,548	978,000	452	0%

- Hoover Dam Visitor Services budget increased \$1.5M
 - Increase in overhead percentages, annual salaries, materials and services
 - Increase in contract and support costs
- Payment to States and Flood Control P&I remain unchanged
- Flood Control investment payoff in 2037



FY 2027 O&M - WAPA

	FY 2026 Base Charge	FY 2027 TYOP	Post-TYOP Adjustments	FY 2027 Proposal	YoY Change	%
Western Area Power Administration						
Transmission Line Maintenance	302,085	308,000	(3,000)	305,000		
Communication Systems Support	341,764	500,000	(150,000)	350,000		
Phoenix Service Center Costs	282,904	178,000	72,000	250,000		
Substation Maintenance	722,522	733,000	(33,000)	700,000		
Facility Expense	1,649,275	1,719,000	(114,000)	1,605,000	(44,275)	-3%
Power Billing/Collecting	70,750	101,000	(11,000)	90,000		
System Operations and Load Dispatching	4,001,400	4,448,000	(248,000)	4,200,000		
Transmission/Engineering Studies	30,900	74,000	(4,000)	70,000		
Conservation and Renewable Energy	32,050	54,000	(24,000)	30,000		
Financial Management Costs	25,600	45,000	(15,000)	30,000		
Power Marketing Costs	1,751,350	1,968,000	(218,000)	1,750,000		
Multiproject Costs	550,950	507,000	83,000	590,000		
Depreciation	326,041	195,000	-	195,000		
Systemwide Expense	6,789,041	7,392,000	(437,000)	6,955,000	165,959	2%
O&M	\$ 8,438,316	\$ 9,111,000	\$ (551,000)	\$ 8,560,000	\$ 121,684	1%



FY 2027 Replacements - WAPA

Replacements	FY 2026 Base Charge	FY 2027 TYOP	Post-TYOP Adjustments	FY 2027 Proposal	YoY Change	%
Western Area Power Administration						
MED 69-kV Breakers Replacement	311,000	170,000	(170,000)	-		
Relay Replacements - 69-kV Line Relays	310,000	512,000	(512,000)	-		
Replacements	\$ 621,000	\$ 682,000	\$ (682,000)	\$ -	(621,000)	-100%

- WAPA's replacement budget was cut for FY 2027 in effort to maintain a level base charge



FY 2027 Interest Expense - WAPA

Interest - CME & Warehouse		FY 2026 Base Charge	FY 2027 Proposal	Change	%
Western Area Power Administration					
	Actual - 2020	26,511			
	Actual - 2021	31,350	31,350		
	Actual - 2022	39,963	39,963		
	Actual - 2023	23,677	23,677		
	Actual - 2024	35,923	35,923		
	Actual - 2025	-	39,117		
Interest - CME & Warehouse		\$ 26,237	\$ 34,006	\$ 7,769	30%
			\$ 34,000 (rounded)		

- Based on rounded 5-year average of most recent actuals



FY 2027 Carryover and Non-Power Revenue

Prior-Year Carryover		FY 2026 Base Charge		FY 2027 Proposal		Change	%
Prior Year Carryover		\$	429,430	\$	2,742,106	\$ 2,312,676	539%
Non-Power Revenue							
Visitor Services			17,000,000		17,000,000		0
Ancillary Services			1,276,056		1,223,326		(52,730)
Water Sales Revenue			550,000		550,000		0
Non-power Revenue		\$	18,276,056	\$	18,223,326	\$ (52,730)	0%

- Prior Year Carryover increased \$2.3m
 - Reclamation decreased FY 2026 budget by \$1.8m
 - WAPA decreased FY 2026 budget by \$1m
- Non-power revenue decreased \$53k
 - Ancillary services projection based on 5-year average of most recent actuals



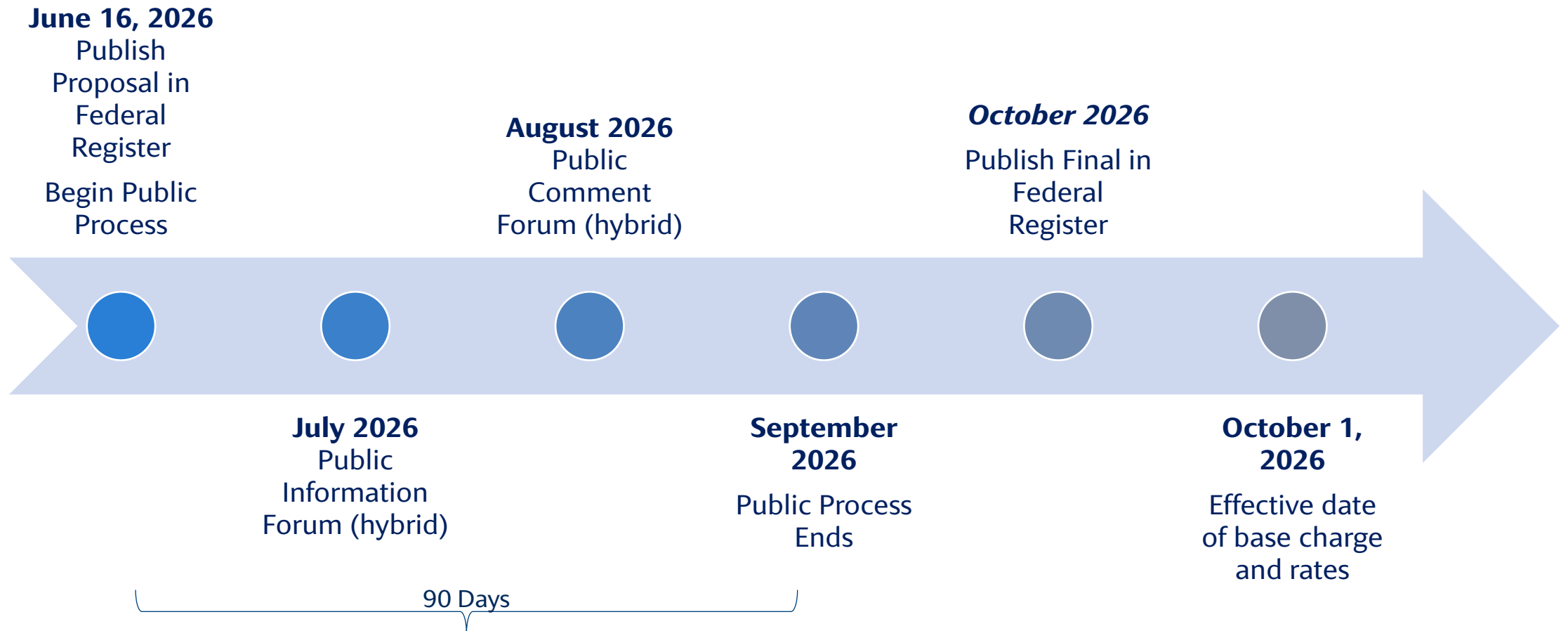
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⁽¹⁾ Does not include PRB Funded Projects



FY 2027 Rate Adjustment Timeline



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Resources

Western Area Power Administration

Jennifer Henn
Acting VP of Power Marketing
(602) 812-2348
jhenn@wapa.gov

Tina Ramsey
Rates Manager
(602) 812-2355
ramsey@wapa.gov

Bureau of Reclamation

Len Schilling
Area Manager
(702) 494-2301
lschilling@usbr.gov

Matt Stemmer
Power and Audit Manager
(702) 293-8223
mjstemmer@ios.doi.gov

James Ronzheimer
Financial Specialist
(702) 293-8238
jronzheimer@ios.doi.gov



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Written Comments

Send written comments for the official record by September 14, 2026,
to:

Scott R. Lund

Senior VP and Desert Southwest Regional Manager

Mail: P.O. Box 6457, Phoenix, Arizona 85005

Email: dswpwrmrk@wapa.gov



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For Questions/Comments Today

- In Person:
 - Raise your hand to be called on
 - State your name (spell your last name) and organization
- Teams:
 - Use the “Raise Hand” feature
 - Type your questions or comments in the chat
 - If joined only by phone, unmute your line to speak (*6)
 - State your name (spell your last name) and organization
 - *Tip: Ensure you are not “double-muted” on your device or headset*



For further information, visit WAPA's BCP rates website at:

<https://www.wapa.gov/about-wapa/regions/dsw/rates/boulder-canyon-project-rates/>