

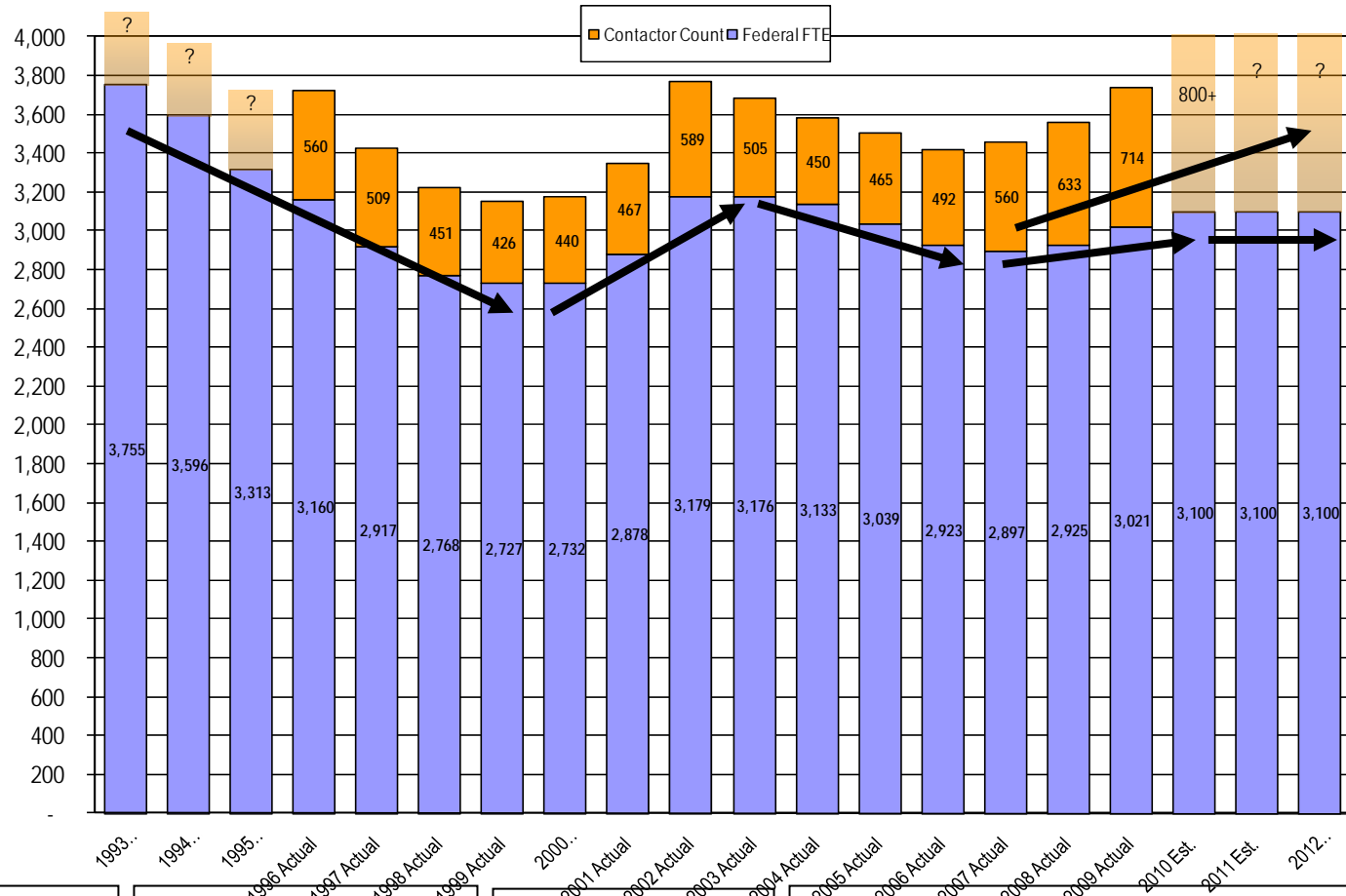
IPR Workshop

BPA's Federal Workforce & Contract Workers

May 24, 2010

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BPA's Federal Workforce and Contract Workers



1994 – 1999

- Completion of 3rd AC Intertie ended period of major infrastructure development
- Emphasis on maximizing efficiency of existing assets vs. expansion
- Implementation of cost control measures manifesting in voluntary separation incentives

2000 – 2003

- Post West Coast Energy Crisis infrastructure investment (G-9 Projects)
- Post 9/11 physical and cyber security initiatives
- Emphasis on Fish & Wildlife contract management

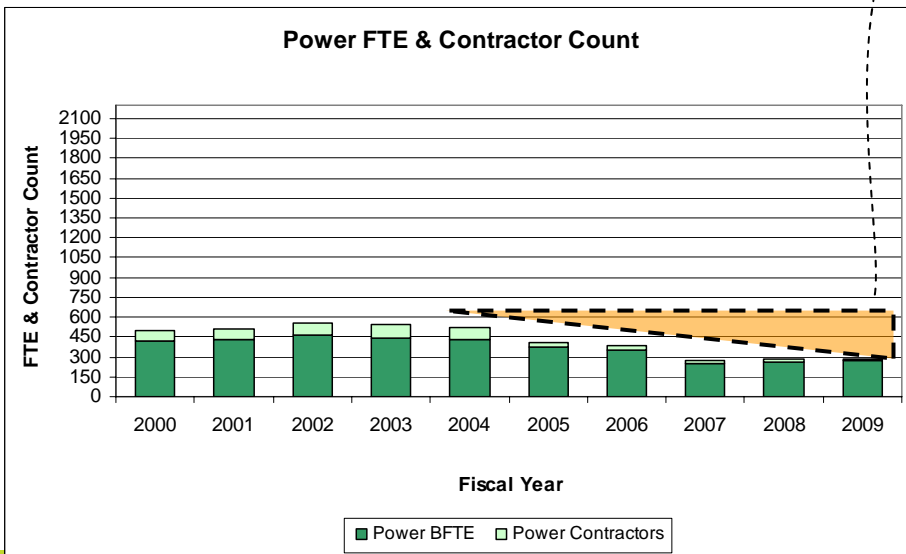
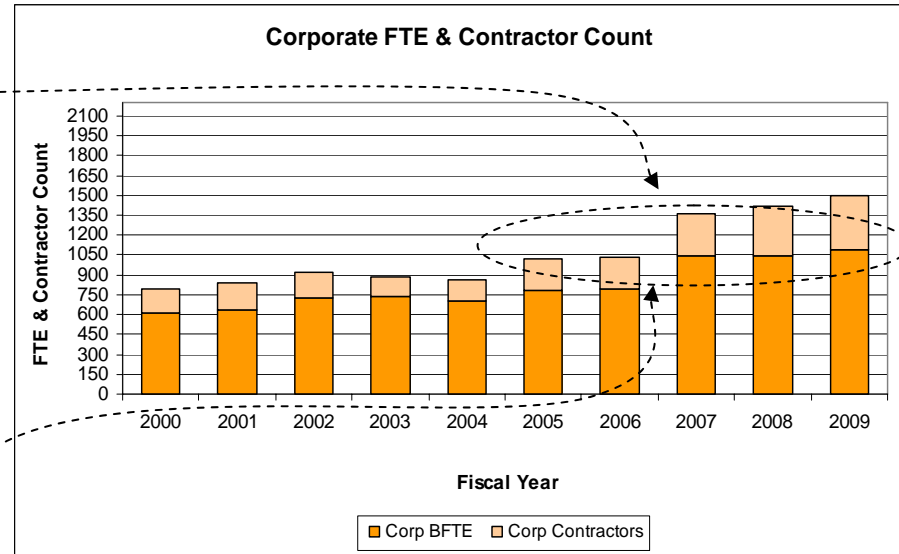
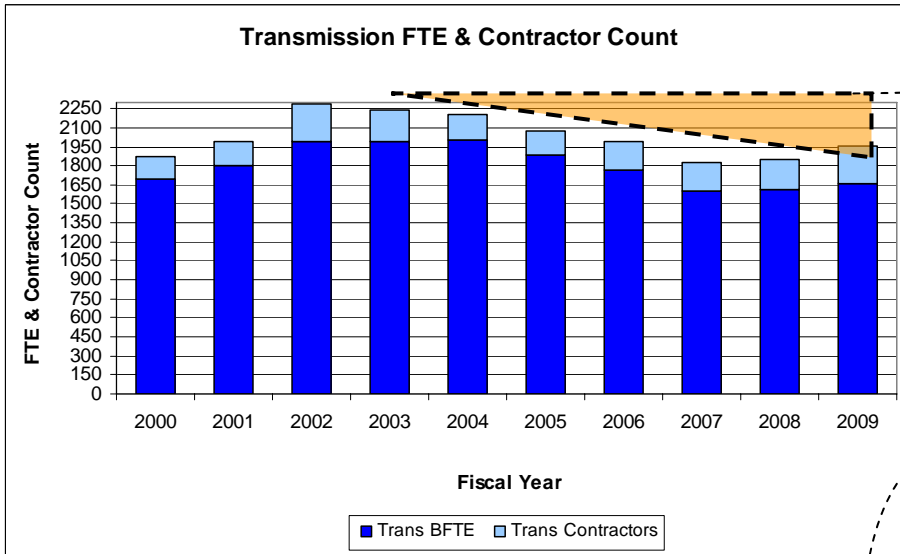
2004 – 2007

- Completion of G-9 projects; commitment to region of 3-year ramp down of Transmission FTE
- Efficiency gains due to EPIP and service consolidation

2007 – 2012

- Federal FTE roughly flat
- Using contractors (and service contracts) to supplement BFTE to meet major agency objectives
- 270% increase in Transmission capital program (2008 to 2010) for infrastructure development/ expansion
- Doubling of EE targets; Doubling of F&W program
- New Regional Dialogue contracts & systems
- Significant investments in core IT systems
- Ramp up in compliance requirements

Workforce distribution among business units

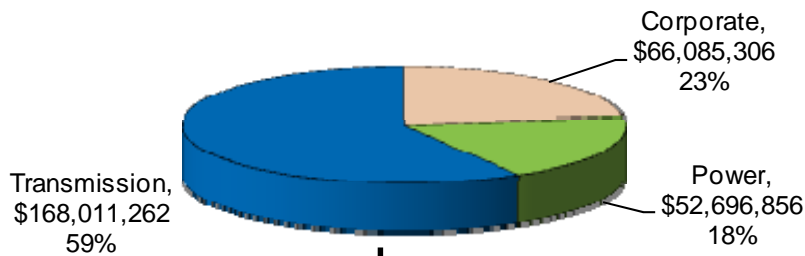


- **Relative decrease in Transmission and Power BFTE and contractors and relative increase in Corporate BFTE and contractors reflects the EPIP action of centralizing or moving the following functions:**
 - IT
 - Energy Efficiency
 - Supply Chain
 - Customer Support Services
 - Public Affairs
 - Human Capital
 - Non-Elec Facilities
- **Relative increase in Corporate BFTE and contractors also reflects the expansion of both Governance**

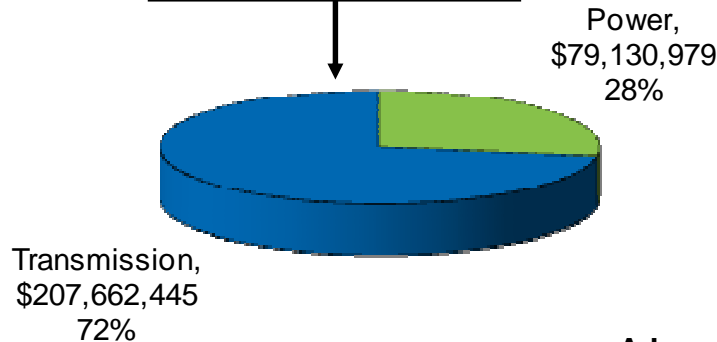
Cost of BPA's people & how it is distributed

Federal Employees & Contract Workers

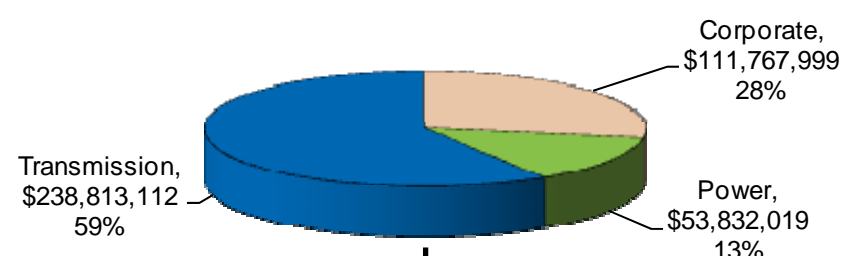
- Over the last 10 years, BPA has centralized and consolidated functions to corporate



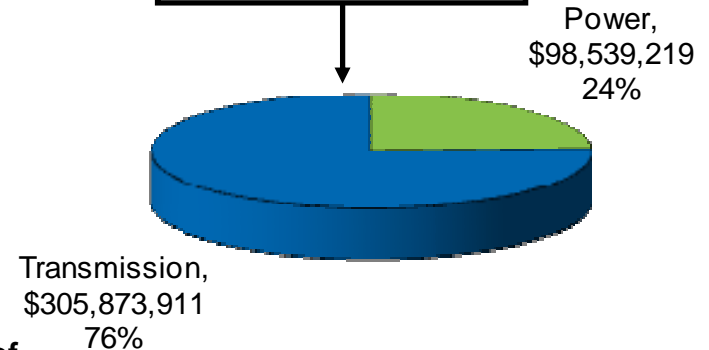
**Allocation
to rates**



FY01-06 Average



**Allocation
to rates**



FY07-09 Average

**A larger proportion of
support is going to
Transmission
Services**

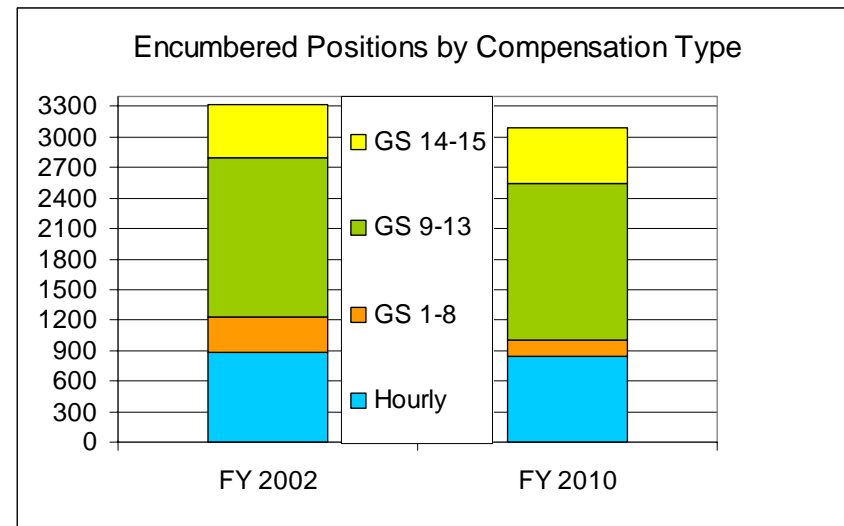
Federal workforce distribution

■ Our grade distribution reflects

- An increasingly expert-oriented federal workforce to meet Agency objectives (e.g., Regional Dialogue, Transmission Infrastructure, Wind Integration, EE, F&W, Governance etc.)
- An increasingly program and/or project-management focused workforce (e.g., Transmission infrastructure, IT projects, F&W contract management, EE program management)
- Duties that were previously “transaction” focus are now met by either self-service or contract workers (e.g., administrative support, moves, hiring, HR Help, IT Help)

■ Developing a Talent Management Strategy to ensure appropriate composition:

- Federal v. non-federal duties
- Full view of resources required to meet objectives: Federal employees, contract workers, contract services
- Benchmarking against industry
- Position management (grade structure) & proper classification
- Succession planning



Retirement eligibility by organization

	10/1/2011	10/1/2013	10/1/2016
BPA	22%	31%	40%
Transmission	20%	28%	37%
Power	21%	31%	42%
IBS	21%	31%	42%
Corporate	21%	28%	39%

- We have a large number of retirement-eligible employees
- Our retirement eligibility will increase as the baby boomer ‘bubble’ works its way through BPA
- We are actively managing this departure risk through succession planning, knowledge sharing, work allocation and adjustments to career structure in critical skill areas

Turnover Rate in 2009

Turnover	Industry	BPA
Overall Average	5.7%	5.8%
Individual Contributor	5.5%	5.7%
Middle Manager	4.8%	6.2%
Executive	7.0%	15.8%
New Hires	8.4%	10.0%

- BPA's turnover rates are close to industry rates
- Middle manager & new hires rates are slightly greater than industry average
- We are looking very closely at new hires – we are ensuring that new hires are the right long-term fit
- Executive turnover rate is driven by retirements from a small population

Federal classification system determines grade & compensation

- **Jobs are evaluated using the Federal Factor Evaluation System** →

Factor Evaluation System:

Jobs are evaluated based on nine factors:

1. Knowledge Required by the Position
2. Supervisory Controls
3. Guidelines
4. Complexity
5. Scope and Effect
6. Personal Contacts
7. Purpose of Contacts
8. Physical Demands
9. Work Environment

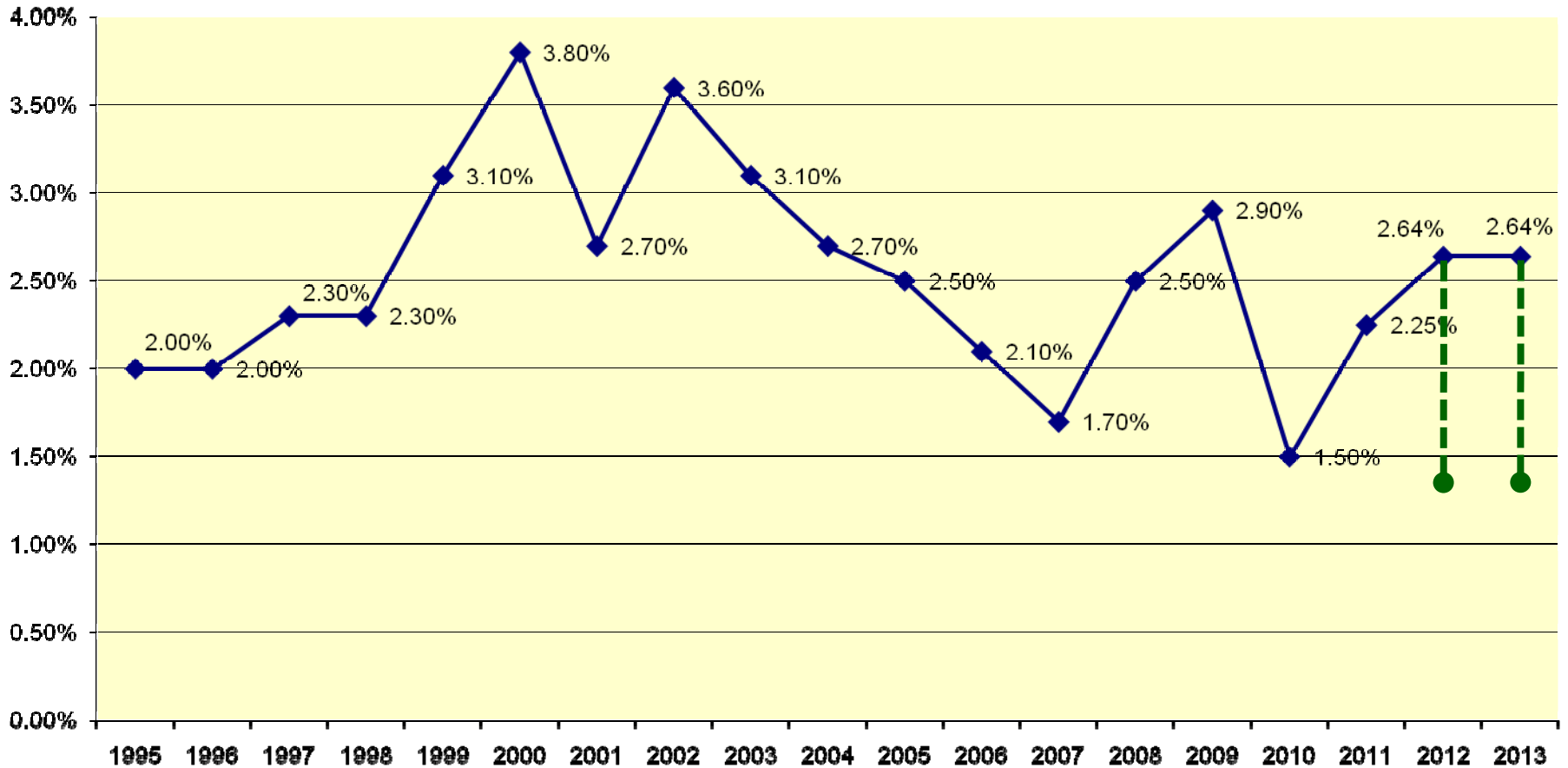
- **Jobs in the trades and crafts have factors and are developed in coordination with the CPTC**
- **Human Capital Management advises management in shaping the workforce through position management, including:**
 - career ladders for succession and cost effectiveness
 - distribution of grade-controlling work amongst employees

Awards & Recognition

Type of Award	Purpose of Award	Budget Method	FY 2011 IPR Budget	% of Salary	FY 2012 IPR Budget	% of Salary
Agency Success Share	Based on Agency accomplishments - Incentive to keep all employees focused on Agency Targets	Budgeted by FTE @ \$400 per FTE	\$ -		\$ 1,247,400	0.40%
Team Share	Based on Organizational accomplishments - Incentive to keep all employees focused on Organizational Targets	Budgeted by FTE @ \$800 per FTE	\$ -		\$ 2,494,800	0.80%
Individual/Group Results	Based on Individual performance - Incentivize employees to top performance level	1.25% of Salary	\$ 3,786,460	1.25%	\$ 3,909,390	1.25%
Peer Recognition	Employee recognition of their peers - Encourage focus on BPA core values (operational excellence, collaborative relationships, trustworthy stewardship)	Budgeted by FTE: 4 \$50 Awards per FTE to be given to Peers	\$ 625,000	0.21%	\$ 645,000	0.21%
			\$ 4,411,460	1.46%	\$ 8,296,590	2.65%
		Total Agency Salary	\$ 302,916,778		\$ 312,571,186	
Administrator's Excellence Awards	Employee and/or Group recognition of top and/or noteworthy Agency-level performance across many categories	N/A	N/A	0.00%	N/A	0.00%
Informal Recognition	Informal Employee and/or Group recognition of performance against a target or milestone	N/A	N/A	0.00%	N/A	0.00%

Cost of Living Applied to Federal Compensation

Federal Cost Of Living Increases (COLA)
(FY 1995 to FY 2010 Actual COLAs - FY 2011 to FY 2013 Projected COLAs)



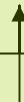
We are monitoring the condition of our workforce through Asset Management

BPA's Talent Management Strategy is asset-minded and risk-informed

Talent Management Monitoring Framework

Workforce Performance

- Productivity
- Cost Efficiency
- Customer/Stakeholder Satisfaction
- Alignment to benchmarks



Size & Composition

- Size of total workforce
- Balance of federal and contractor
- Cost of federal and contractor
- Diversity of workforce
- Alignment to benchmarks

Skills & Competencies

- Management of critical skills
- Performance objectives and appraisal
- Succession planning
- Alignment to benchmarks

Environment

- Alignment to BPA Values
- Employee Engagement
- Safety
- Equipment supports High Performance
- Alignment to benchmarks