

factsheet

November 2005

Enterprise Process Improvement Program

Project Description

The Enterprise Process Improvement Program (EPIP) is a BPA initiative to achieve one of the agency's key strategic objectives – effective cost management through its systems and processes (I1). The project's goal is to help BPA become more efficient and more effective by reducing costs and delivering higher value to the region and employees.

Phased Approach

BPA identified 23 areas where it could find opportunities for efficiencies. With limited resources, it was not prudent to launch reviews of all 23 areas simultaneously, so BPA management identified the following six key areas for functional reviews under Phase One of the program in November 2004. These teams delivered recommendations to BPA senior management to accomplish the following savings:

- TBL Plan, Design and Build – projected \$30 million in savings
- Marketing and Sales – projected \$5 million in savings
- Energy Efficiency Contract Administration – projected \$1 million in savings
- Information Technology – projected \$24 million in savings
- Public Affairs and Communications – projected \$2 million in savings
- Human Resources and Staff Management – projected \$5 million in savings

In total, EPIP Phase One is targeting more than \$67 million in savings through gained process efficiencies over the next three to five years. Phase One recommendations are currently being implemented throughout the agency except for Marketing and Sales, which will make recommendations in December 2005.

EPIP Phase Two was kicked off in August 2005 targeting the following areas:

- Asset Management
- Transmission Operations and Maintenance
- Supply Chain Management

Recommendations from these teams to management are expected beginning in December.

Process Improvement

Process improvement is a proven business tool used to achieve sustained operational excellence and improve the delivery of products and services. BPA has contracted with KEMA, an international energy-consulting firm with deep roots in the energy industry and specialized industry expertise in process improvement, for assistance in this project.

Project Cost

BPA's time-and-materials contract with KEMA is estimated to cost just under \$4 million for work from November 2004 through December 2005.