

Project-Year Budgets for Projects in the Integrated Fish and Wildlife Program (as of August 1, 2008)

Executive Summary

Context: In early June, Council Chair Bill Booth asked BPA for an analysis of anticipated Fish and Wildlife Program (Program) spending - broken down by geographic province, project category, whether projects are serving to implement the FCRPS Biological Opinion (BiOp) or are serving to implement other aspects of the F&W Program; and finally whether projects are contained within Columbia Basin Fish Accords or are not within the Accords. This analysis focuses on FY09-11 to coincide with the three budget years for which BPA will soon be setting rates. A potential additional use of this analysis is to stimulate dialogue about a possible longer-term budget agreement for the Fish and Wildlife Program beyond FY11. A potential budget commitment or agreement could be five years in duration or possibly even extend to 2018, to coincide with the terms of the FCRPS 2008 BiOp and the Fish Accords.

Relation to Rate Case: BPA sets rates to cover anticipated costs. In its recent public involvement process associated with the FY09 Supplemental Rate Case and the FY10-11 Rate Case (known as the Integrated Program Review or IPR), BPA proposed Fish and Wildlife Program expense of \$200M for FY09, \$230M for FY10 and \$235M for FY11. These budgets reflect *BPA's estimate of actual Program expense spending* for these three fiscal years.

However, the Program has seen a historical overall average difference of 7 percent between Planning Budgets and actual spending with Planning Budgets being on average higher than actual spending. The following analysis uses Planning Budget terms to track how the Council makes its funding recommendations. The Council recommends project-level budgets to BPA *in planning terms*. The Fish Accords budgets are also in *planning terms*. Therefore, the budgets in this analysis are not directly comparable to Rate Case budgets.

Major Conclusions:

- The overall level of planned spending for the Integrated Program for FY09-11 is an unprecedented 55% increase over the previous three fiscal years' planning budgets for the Program.
- The FCRPS Biological Opinion and Fish Accords create long-term funding stability and certainty for major components of the Program.
- Approximately \$46M in project funding in BPA's '09 SOY budget does not carry longer-term (i.e. post '09) commitments (although a portion of this work reflects "maintenance" of past investments).
- There is \$31M in new work "budgeted" for FY09 that is intended to implement elements of the FCRPS BiOp outside of the Fish Accords - a portion of this work still awaits selection of project sponsors.
- Similarly, for 2010-11, there is more than \$30M of additional money to implement elements of the FCRPS BiOp outside of the Fish Accords, and more than \$45M for non-BiOp non-Accord work for a total of about \$80M annually.
- BPA's planned spending levels for FY09-11 reflect funding increases for implementing both the new FCRPS Biological Opinion and the Fish Accords, *without* reducing funding for the other elements of the Program. Beginning in 2010, and in response to concerns regarding costs of inflation, BPA has proposed an annual 2.5% budget increase for projects in the Program.

- It will be important that the Council continue playing an important role in recommending funding of mitigation actions that are scientifically sound and are the most cost-effective means to meet Program objectives, including new BiOp actions outside those in the Accords. As noted above, the portion of the Program budget that is beyond the existing FCRPS BiOp project portfolio and the Fish Accords, has a combined budget of approximately \$80M per year for '10 and '11.
- BPA also anticipates strong Council engagement and leadership in reforming the region's RM&E framework. Success in this reform initiative may also allow more funding to be directed to on-the-ground actions.
- In '09, BPA's analysis indicates that about \$56M in RM&E, data management and coordination is expected to be funded in the mainstem/systemwide category; including \$43M in FCRPS BiOp actions not reflected in the Accords and an additional \$7M in activities not associated with the BiOp or the Accords. In addition, in '09, there is \$33M in anticipated RM&E/data/coordination spending in the geographic provinces.

Caveats

The following figures draw from BPA's project-specific budget information. More specifically, each project budget represents the funding level that may be applied to contracts beginning in the relevant fiscal year (project-year budgets).

- *Project-Year not Fiscal Year Budgets* – These figures will differ from projected *fiscal* year spending due to the timing of project/contract-starts and longstanding historical differences between annual planning budgets and actual spending levels.¹
- *Roll up of project-year budgets ≠ Rates* – These figures will differ from BPA's rate case materials due to the assumptions that BPA uses to adjust for the effects of contract timing, ramp-up assumptions for new projects, and planning-to-actual differences. In addition, the following information does not include BPA overhead, the BOG within-year placeholder, nor potential pre-capitalization expense budgets for projects that are "classified" as capital.

'09 Project-Year Information

'09 Budgets: The following '09 figures are based largely on the specific set of '09 project-year budgets published in July '08. This particular set of budgets is known as the start-of-year budgets (SOY) because they are the last set of budgets BPA publishes prior to contracting for work that starts early in the fiscal year. When making comparisons to project-budgets *before the integration of Accord project budgets and expected BiOp budgets*, the '09 project-year planning budgets that BPA posted in July of '07 were used as the "base" or pre-Accord, pre-BiOp figures.

As with all the figures in this document, total program budgets will differ from projected actual spending for the reasons mentioned above in the Caveats section of this paper. In '09 this difference is particularly striking because of the ramp-up in new work. Specifically, BPA's proposed budget for rate setting purposes (\$200M in expense) includes an assumption that project expenditures for new work in '09 will be about 75% of project-year planning budgets.²

¹ Planning budgets are assumed to be, on average, 7% greater than estimated actual spending levels which are used for rate case purposes. This difference is based on the long-term historical average difference between planning budgets and actual spending.

² This assumption is also embedded in the Accords.

Figure 1: Integrated F&W Program Relationship to FCRPS BiOp and Fish Accords

The below diagram shows the relationship between the new FCRPS BiOp, recently approved Fish Accords, and the overall F&W Program on a conceptual basis.

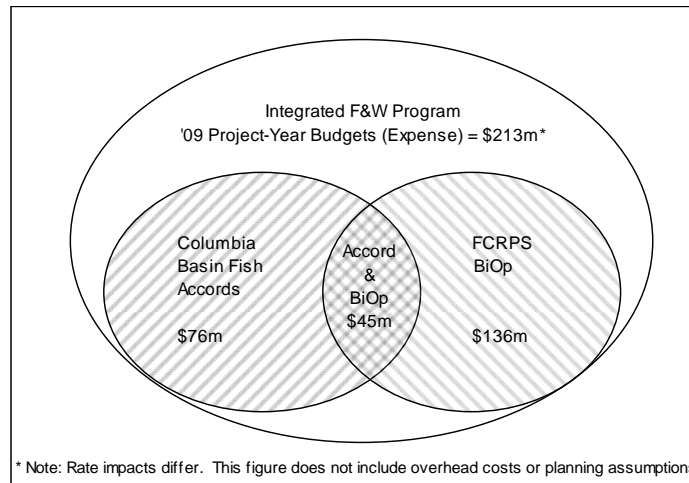
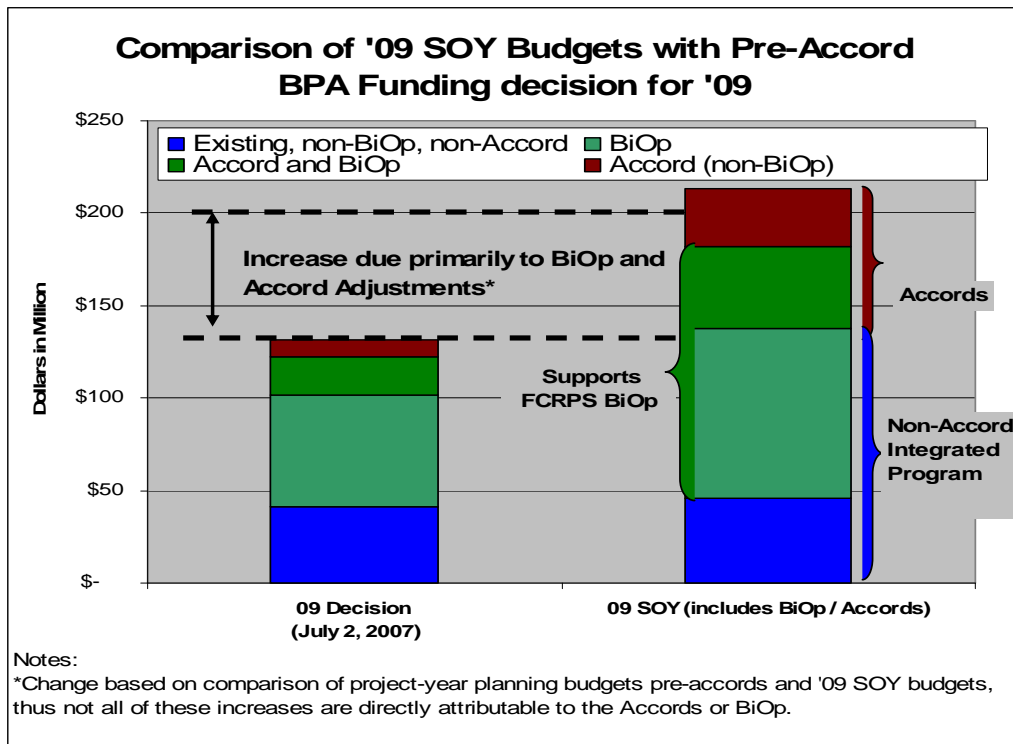


Figure 2. Increase in '09 Project-Year Budgets³ (expense) due primarily to Accords and FCRPS BiOp

This figure compares aggregated '09 Project Year Budgets prior to the completion of the BiOp and the signing of the Fish Accords, to the updated '09 Project Year Budgets which reflect integration of the additional new commitments in the BiOp and Accords. The Project Year budgets are broken down into the categories of existing non-Accord/non-BiOp projects, and Accord and BiOp projects. It should be noted that some BiOp projects are also Accord projects, some Accord projects are non-BiOp projects, and the Accords don't reflect some additional projects called for in the BiOp.



³ Note: Project budgets are not fiscal year (FY) budgets. Rather, this is the roll up of the budgets for projects with contracts set to begin during FY'09. Many of these contracts will continue into FY'10. Therefore, expected FY'09 expenditures may differ.

Source Table for Figure 2

	09 Decision (July 2, 2007)	09 SOY (includes BiOp / Accords)
Existing, non-BiOp, non-Accord	\$ 41	\$ 46
BiOp	\$ 61	\$ 92
Accord and BiOp	\$ 21	\$ 45
Accord (non-BiOp)	\$ 9	\$ 31
Total	\$ 132	\$ 213

Figure 3. Distribution of '09 Project-Year Budgets (expense)

This pie chart is a different way of looking at the distribution of '09 Project Year budgets. Information is further broken down into the categories of existing projects – sorted by non-BiOp/non-Accord, BiOp&Accord, BiOp-non-Accord, and Accord/non-BiOp; and new projects – sorted by BiOp&Accord, BiOp-non-Accord, and Accord/non-BiOp.

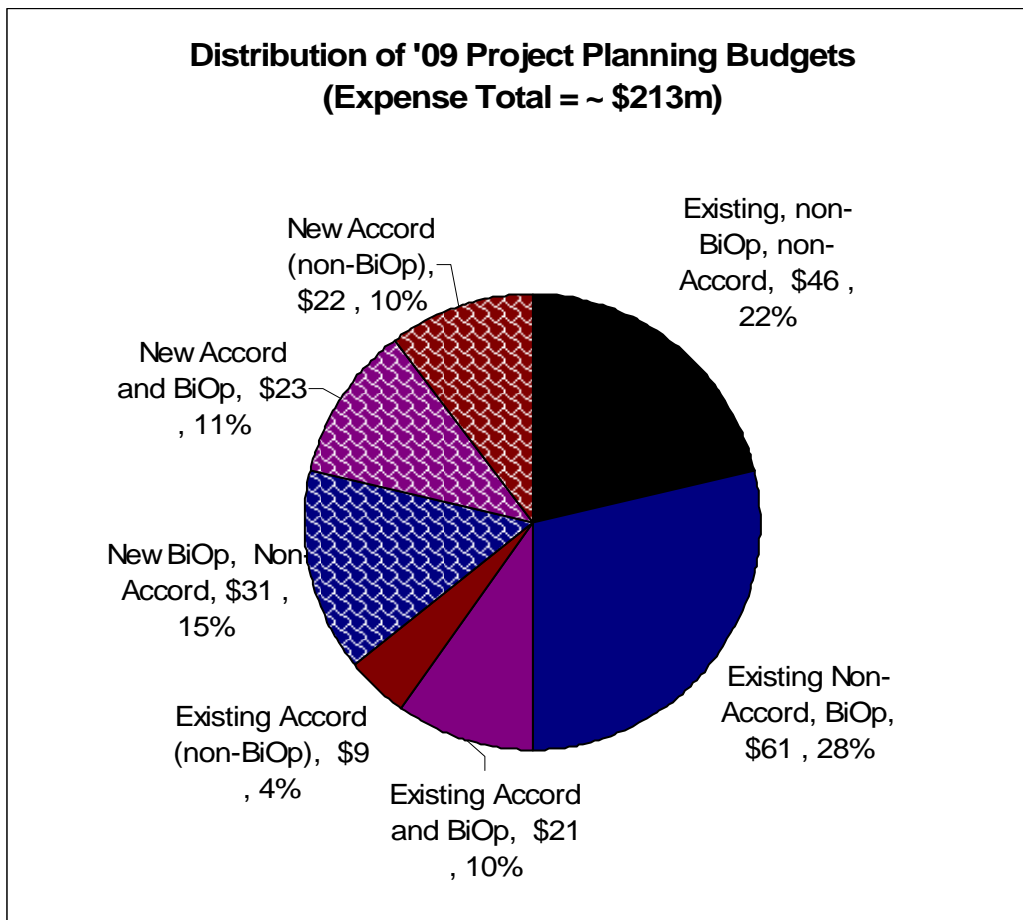


Table 4. Distribution of '09 Project Budgets (from SOY) by Province

This table shows the geographical distribution of '09 project budgets sorted by province, and further sorted by the subcategories of non-BiOp/accord projects, BiOp&accord projects, BiOp-non-accord projects, and existing non-accord/non-BiOp projects.

Province	09 Project Budgets (\$ in Millions)				Total
	Accord (non BiOp)	Accord and BiOp	BiOp (non-Accord)	Existing, Non-Accord, Non-BiOp	
Blue Mountain	\$ 6	\$ 1	\$ 8	\$ 1	\$ 16
Columbia Cascade	\$ 3	\$ 14	\$ 3	\$ 1	\$ 20
Columbia Estuary	\$ -	\$ -	\$ 5	\$ 2	\$ 7
Columbia Gorge	\$ 1	\$ 4	\$ 1	\$ 1	\$ 7
Columbia Plateau - OR	\$ 4	\$ 6	\$ 4	\$ 0	\$ 15
Columbia Plateau - WA	\$ 4	\$ 9	\$ 2	\$ 1	\$ 16
Columbia Plateau - OR/WA	\$ 1	\$ 2	\$ 0	\$ -	\$ 3
Intermountain	\$ 4	\$ -	\$ -	\$ 11	\$ 15
Lower Columbia	\$ 0	\$ 8	\$ 1	\$ 2	\$ 11
Middle Snake	\$ 0	\$ -	\$ -	\$ 2	\$ 2
Mountain Columbia	\$ 0	\$ -	\$ -	\$ 12	\$ 12
Mountain Snake	\$ -	\$ 1	\$ 16	\$ 4	\$ 21
Upper Snake	\$ -	\$ -	\$ -	\$ 1	\$ 1
MS/SW	\$ 7		\$ 52	\$ 8	\$ 67
Total	\$ 31	\$ 45	\$ 92	\$ 46	\$ 213

Table 5. Distribution of '09 Project Budgets (from SOY) by Province and Type of Work

This table shows '09 project budgets sorted into the mitigation categories of habitat restoration, wildlife, artificial production; research, monitoring and evaluation (RM&E), grouped with data management and coordination; and lamprey. The groupings reflect a sorting by project; it should be noted that there are some RM&E work elements reflected in projects that were sorted into the non-RM&E category (i.e. most habitat projects have project-specific monitoring work elements).

Province	09 Project Budgets (\$ in Millions)					Total
	Habitat	Wildlife	Artificial Production (incl. RM&E)	RM&E, Data Management, Coordination	Lamprey	
Blue Mountain	\$ 10	\$ 1	\$ 4	\$ 1	\$ -	\$ 16
Columbia Cascade	\$ 12	\$ 1	\$ 4	\$ 3	\$ -	\$ 20
Columbia Estuary	\$ 3	\$ -	\$ 2	\$ 2	\$ -	\$ 7
Columbia Gorge	\$ 2	\$ 0	\$ 2	\$ 3	\$ 0	\$ 7
Columbia Plateau - OR	\$ 8	\$ 1	\$ 2	\$ 4	\$ 1	\$ 15
Columbia Plateau - WA	\$ 5	\$ 1	\$ 3	\$ 7	\$ -	\$ 16
Columbia Plateau - OR/WA	\$ 2	\$ 0	\$ 0	\$ 1	\$ -	\$ 3
Intermountain	\$ 7	\$ 1	\$ 3	\$ 3	\$ -	\$ 15
Lower Columbia	\$ 0	\$ 2	\$ 0	\$ 2	\$ 0	\$ 4
Middle Snake	\$ 1	\$ 1	\$ 1	\$ 0	\$ -	\$ 2
Mountain Columbia	\$ 6	\$ -	\$ 3	\$ 4	\$ -	\$ 12
Mountain Snake	\$ 10	\$ -	\$ 12	\$ 5	\$ -	\$ 27
Upper Snake	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ 1
MS/SW	\$ 12	\$ -	\$ 0	\$ 56	\$ 1	\$ 69
Grand Total	\$ 78	\$ 8	\$ 36	\$ 89	\$ 2	\$ 213

Table 6. Distribution of '09 Expense Budgets by Purpose of Dollars and Geographic Area

This table shows a build-up of the '09 “base” project portfolio (i.e., pre-BiOp and pre-Accords), sorted geographically, with the additions of the new non-BiOp Accord projects, the new Accord/BiOp projects, the new non-Accord/BiOp projects, and other miscellaneous budget adjustments which occurred subsequent the July '07 BPA start-of-year budget publication that was used for the initial '09 base.

Distribution of '09 Expense Budgets by Purpose of Dollars and Geographic Area						
	09 Base Program	09 Accord Non-BiOp Addition	09 Accord/BiOp Addition	09 Non-Accord/BiOp Addition	Other Budget Adjustments	Total
Blue Mountain	\$ 8	\$ 6	\$ 0	\$ 2	\$ 0	\$ 16
Columbia Cascade	\$ 5	\$ 3	\$ 11	\$ 1	\$ 0	\$ 20
Columbia Estuary	\$ 5			\$ 2	\$ 0	\$ 7
Columbia Gorge	\$ 4	\$ 0	\$ 2	\$ -	\$ 0	\$ 7
Columbia Plateau - OR	\$ 9	\$ 4	\$ 2	\$ 0	\$ 0	\$ 15
Columbia Plateau - WA	\$ 10	\$ 1	\$ 3	\$ 0	\$ 0	\$ 16
Columbia Plateau - OR/WA	\$ 3	\$ 1	\$ -	\$ -	\$ -	\$ 3
Intermountain	\$ 11	\$ 1	\$ -	\$ -	\$ 2	\$ 15
Lower Columbia	\$ 2	\$ 0		\$ 0	\$ 1	\$ 4
Middle Snake	\$ 2	\$ 0	\$ -	\$ -	\$ 0	\$ 2
Mountain Columbia	\$ 12	\$ 0	\$ -	\$ -	\$ -	\$ 12
Mountain Snake	\$ 19	\$ 0	\$ 4	\$ 4	\$ 1	\$ 27
Upper Snake	\$ 1	\$ -	\$ -	\$ -	\$ 0	\$ 1
MS/SW	\$ 41	\$ 5	\$ 1	\$ 21	\$ -	\$ 69
Total	\$ 132	\$ 22	\$ 23	\$ 31	\$ 5	\$ 213

Table 7. Distribution of '09 Project Budgets for Existing, Non-Accord, Non-BiOp - Expense

This table shows, geographically, and by mitigation category, the distribution of project funding for the currently-funded (existing) non-Accord, non-BiOp “base” set of projects.

09 Project Budgets (\$ in Millions)					
Province	Habitat	Wildlife	AP (incl. RM&E)	RM&E, DM, Coord.	Total
Blue Mountain	\$ -	\$ 1	\$ 0	\$ -	\$ 1
Columbia Cascade	\$ -	\$ 1	\$ -	\$ -	\$ 1
Columbia Estuary	\$ 0	\$ -	\$ 2	\$ -	\$ 2
Columbia Gorge	\$ -	\$ 0	\$ 1	\$ 0	\$ 1
Columbia Plateau - OR	\$ -	\$ -	\$ -	\$ 0	\$ 0
Columbia Plateau - WA	\$ 0	\$ 1	\$ -	\$ 0	\$ 1
Columbia Plateau - OR/WA	\$ -	\$ -	\$ -	\$ -	\$ -
Intermountain	\$ 5	\$ 0	\$ 2	\$ 3	\$ 11
Lower Columbia	\$ -	\$ 2	\$ -	\$ 1	\$ 2
Middle Snake	\$ 1	\$ 1	\$ 1	\$ 0	\$ 2
Mountain Columbia	\$ 5	\$ -	\$ 3	\$ 4	\$ 12
Mountain Snake	\$ 3	\$ -	\$ 0	\$ 0	\$ 4
Upper Snake	\$ 1	\$ 1	\$ -	\$ -	\$ 1
MS/SW	\$ 1	\$ -	\$ -	\$ 7	\$ 8
Grand Total	\$ 17	\$ 6	\$ 7	\$ 16	\$ 46

Table 8. Distribution of '09 SOY Budgets for BiOp (non-accord) Projects (Expense)

This table shows the distribution, by recovery strategy, of BiOp projects that aren't reflected in the project-specific commitments in the Accords. This reflects a combination of existing and new BiOp activities.

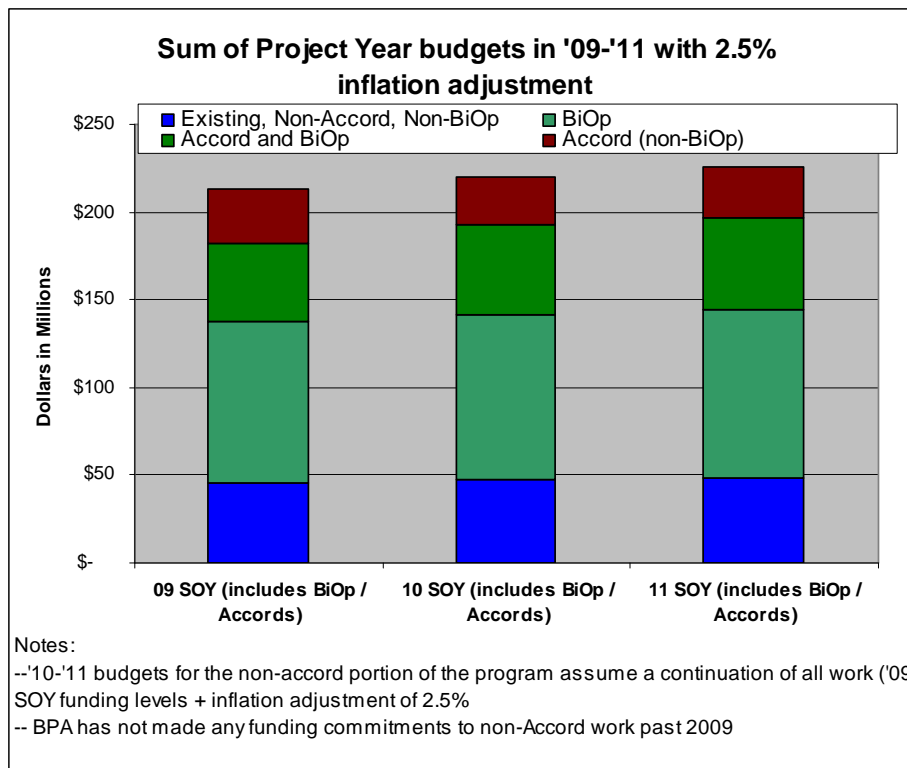
Province	09 Project Budgets (\$ in Millions)				Total
	Habitat	Wildlife	AP (incl. RM&E)	RM&E, DM, Coord.	
Blue Mountain	\$ 4	\$ -	\$ 3	\$ 1	\$ 8
Columbia Cascade	\$ 1	\$ -	\$ -	\$ 1	\$ 3
Columbia Estuary	\$ 3	\$ -	\$ -	\$ 2	\$ 5
Columbia Gorge	\$ 0	\$ -	\$ -	\$ 0	\$ 1
Columbia Plateau - OR	\$ 2	\$ -	\$ 1	\$ 1	\$ 4
Columbia Plateau - WA	\$ 1	\$ -	\$ 0	\$ 1	\$ 2
Columbia Plateau - OR/WA	\$ 0	\$ -	\$ -	\$ -	\$ 0
Intermountain	\$ -	\$ -	\$ -	\$ -	\$ -
Lower Columbia	\$ 0	\$ -	\$ 0	\$ 1	\$ 1
Middle Snake	\$ -	\$ -	\$ -	\$ -	\$ -
Mountain Columbia	\$ -	\$ -	\$ -	\$ -	\$ -
Mountain Snake	\$ 6	\$ -	\$ 6	\$ 4	\$ 16
Upper Snake	\$ -	\$ -	\$ -	\$ -	\$ -
MS/SW	\$ 9	\$ -	\$ 0	\$ 43	\$ 52
Grand Total	\$ 29	\$ -	\$ 10	\$ 53	\$ 92

'10-11 Project-Year Information

'10-11 Budgets – Budgets are more difficult to project in the post 2009 time-frame. Only those projects included in the Columbia Basin Fish Accords have firm budgets for this period at this time. That being said, BPA acknowledges that many of the program’s projects are longer term in nature, and/or fulfill requirements under various biological opinions. In addition, BPA has binding obligations to implement non-Accord BiOp projects but lacks sufficient information to project detailed budgets for them at this time. Therefore, the following figures draw upon Accord budgets given the firm commitments reflected in the Accords, but otherwise extrapolate from '09 SOY budgets by incorporating the annual inflation adjustment proposed by BPA in its IPR public process (e.g., '09 budgets plus 2.5% inflation). While we expect the annual totals to reflect the sum of planning budgets for projects beginning in a given fiscal year, the *distribution* of the non-Accord funding could differ depending on adjustments that region chooses to pursue.

Figure 9. Sum of Project-Year Budgets in '09-'12 with 2.5% Inflation Adjustment

This graphs compares the '09 project year budget (which includes integration of the additional new commitments in the BiOp and Accords), to the project year budgets for '10 and '11. The Project Year budgets are broken down into the categories of existing non-Accord/non-BiOp projects, and Accord and BiOp projects. It should be noted that some BiOp projects are also Accord projects, some Accord projects are non-BiOp projects, and there are also additional projects called for in the BiOp that aren't reflected in the Accords.



Source Table for Figure 9

	09 SOY (includes BiOp / Accords)	10 SOY (includes BiOp / Accords)	11 SOY (includes BiOp / Accords)
Existing, Non-Accord, Non-BiOp	\$ 46	\$ 47	\$ 48
BiOp	\$ 92	\$ 94	\$ 96
Accord and BiOp	\$ 45	\$ 52	\$ 52
Accord (non-BiOp)	\$ 31	\$ 27	\$ 29
Total	\$ 213	\$ 220	\$ 226

Figure 10. Distribution of '10 Project-Year Budgets (expense)

This pie chart is a different way of looking at the distribution of '10 Project Year budgets; information is further broken down into the categories of “existing” projects – sorted by non-BiOp/non-Accord, BiOp&Accord, BiOp-non-Accord, and Accord/non-BiOp; and new projects – sorted by BiOp&Accord, BiOp-non-Accord, and Accord/non-BiOp (the “existing project’s budgets extrapolate from '09 SOY budgets by incorporating the 2.5% annual inflation adjustment).

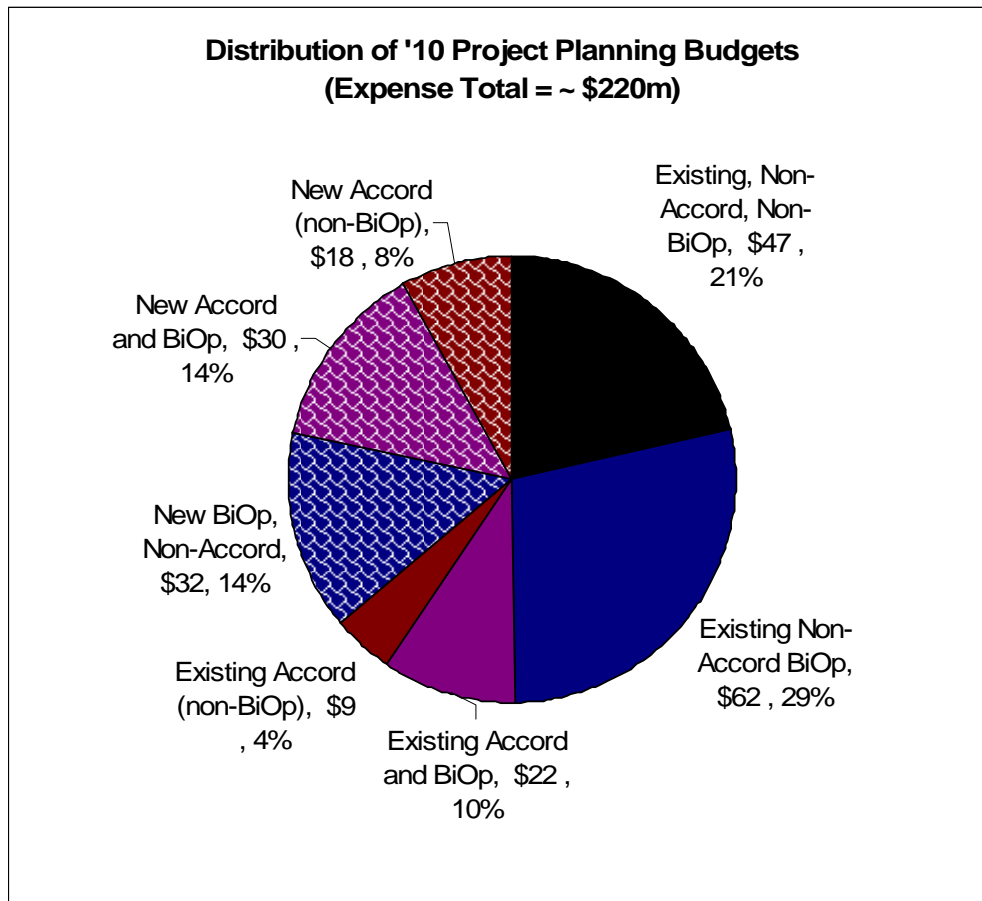


Table 11. Distribution of '10-'11 Project Budgets (from SOY) by Province

These tables show the geographical distribution of '10 and '11 project budgets sorted by province, and further sorted by the subcategories of non-BiOp/Accord projects, BiOp&Accord projects, BiOp/non-Accord projects, and “existing” non-Accord/non-BiOp projects. The “existing” non-Accord/non-BiOp project budgets are extrapolated from '09 SOY budgets and incorporate the 2.5% annual inflation adjustment.

Province	'10 Project Budgets (\$ in Millions)				Total
	Accord (non BiOp)	Accord and BiOp	BiOp (non-Accord)	Existing, Non- Accord, Non- BiOp	
Blue Mountain	\$ 1	\$ 1	\$ 8	\$ 1	\$ 11
Columbia Cascade	\$ 4	\$ 16	\$ 3	\$ 1	\$ 23
Columbia Estuary	\$ -	\$ -	\$ 5	\$ 2	\$ 7
Columbia Gorge	\$ 0	\$ 4	\$ 1	\$ 1	\$ 7
Columbia Plateau - OR	\$ 5	\$ 6	\$ 5	\$ 0	\$ 16
Columbia Plateau - WA	\$ 4	\$ 11	\$ 2	\$ 1	\$ 18
Columbia Plateau - OR/WA	\$ 1	\$ 2	\$ 0	\$ -	\$ 3
Intermountain	\$ 7	\$ -	\$ -	\$ 11	\$ 18
Lower Columbia	\$ 0	\$ -	\$ 1	\$ 2	\$ 4
Middle Snake	\$ -	\$ -	\$ -	\$ 2	\$ 2
Mountain Columbia	\$ -	\$ -	\$ -	\$ 12	\$ 12
Mountain Snake		\$ 9	\$ 16	\$ 4	\$ 29
Upper Snake	\$ -	\$ 0	\$ 0	\$ 1	\$ 1
MS/SW	\$ 6	\$ 2	\$ 53	\$ 8	\$ 69
Grand Total	\$ 27	\$ 52	\$ 94	\$ 47	\$ 220

Province	'11 Project Budgets (\$ in Millions)				Total
	Accord (non BiOp)	Accord and BiOp	BiOp (non-Accord)	Existing, Non- Accord, Non- BiOp	
Blue Mountain	\$ 1	\$ 1	\$ 9	\$ 1	\$ 11
Columbia Cascade	\$ 4	\$ 18	\$ 3	\$ 1	\$ 25
Columbia Estuary	\$ -	\$ -	\$ 5	\$ 2	\$ 7
Columbia Gorge	\$ 1	\$ 4	\$ 1	\$ 1	\$ 7
Columbia Plateau - OR	\$ 5	\$ 6	\$ 5	\$ 0	\$ 16
Columbia Plateau - WA	\$ 5	\$ 10	\$ 2	\$ 1	\$ 18
Columbia Plateau - OR/WA	\$ 2	\$ 3	\$ 0	\$ -	\$ 5
Intermountain	\$ 6	\$ -	\$ -	\$ 11	\$ 18
Lower Columbia	\$ 0	\$ -	\$ 1	\$ 2	\$ 4
Middle Snake	\$ -	\$ -	\$ -	\$ 2	\$ 2
Mountain Columbia	\$ -	\$ -	\$ -	\$ 13	\$ 13
Mountain Snake	\$ -	\$ 7	\$ 16	\$ 4	\$ 28
Upper Snake	\$ -	\$ -	\$ -	\$ 1	\$ 1
MS/SW	\$ 6	\$ 2	\$ 55	\$ 9	\$ 71
Grand Total	\$ 29	\$ 52	\$ 96	\$ 48	\$ 226

Table 12. Distribution of '10-'11 Project Budgets (from SOY) by Province and Category

These tables show the '10 and '11 project budgets sorted into the mitigation categories of habitat restoration, wildlife, artificial production; research, monitoring and evaluation (RM&E), grouped with data management and coordination; and lamprey. The groupings reflect a sorting by project type; it should be noted that there are some RM&E work elements reflected in projects that were sorted into the non-RM&E category (i.e. most habitat projects have project-specific monitoring work elements).

Province	'10 Project Budgets (\$ in Millions)						Total
	Habitat	Wildlife	AP (incl. RM&E)	RM&E, DM, Coord.	Lamprey		
Blue Mountain	\$ 5	\$ 1	\$ 4	\$ 1	\$ -	\$ 11	
Columbia Cascade	\$ 15	\$ 1	\$ 4	\$ 3	\$ -	\$ 23	
Columbia Estuary	\$ 4	\$ -	\$ 2	\$ 2	\$ -	\$ 7	
Columbia Gorge	\$ 2	\$ 0	\$ 2	\$ 3	\$ 0	\$ 7	
Columbia Plateau - OR	\$ 8	\$ 1	\$ 2	\$ 4	\$ 1	\$ 16	
Columbia Plateau - WA	\$ 7	\$ 1	\$ 3	\$ 7	\$ -	\$ 18	
Columbia Plateau - OR/WA	\$ 2	\$ 0	\$ 0	\$ 1	\$ -	\$ 3	
Intermountain	\$ 8	\$ 1	\$ 4	\$ 4	\$ -	\$ 18	
Lower Columbia	\$ 0	\$ 2	\$ 0	\$ 2	\$ 0	\$ 4	
Middle Snake	\$ 1	\$ 1	\$ 1	\$ 0	\$ -	\$ 2	
Mountain Columbia	\$ 6	\$ -	\$ 3	\$ 4	\$ -	\$ 12	
Mountain Snake	\$ 16	\$ -	\$ 8	\$ 4	\$ -	\$ 29	
Upper Snake	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ 1	
MS/SW	\$ 13	\$ -	\$ 0	\$ 55	\$ 1	\$ 69	
Grand Total	\$ 87	\$ 8	\$ 33	\$ 90	\$ 2	\$ 220	

Province	'11 Project Budgets (\$ in Millions)						Total
	Habitat	Wildlife	AP (incl. RM&E)	RM&E, DM, Coord.	Lamprey		
Blue Mountain	\$ 5	\$ 1	\$ 4	\$ 1	\$ -	\$ 11	
Columbia Cascade	\$ 15	\$ 1	\$ 6	\$ 4	\$ -	\$ 25	
Columbia Estuary	\$ 4	\$ -	\$ 2	\$ 2	\$ -	\$ 7	
Columbia Gorge	\$ 2	\$ 0	\$ 2	\$ 3	\$ 0	\$ 7	
Columbia Plateau - OR	\$ 8	\$ 1	\$ 2	\$ 4	\$ 1	\$ 16	
Columbia Plateau - WA	\$ 6	\$ 1	\$ 4	\$ 7	\$ -	\$ 18	
Columbia Plateau - OR/WA	\$ 2	\$ 0	\$ 1	\$ 2	\$ -	\$ 5	
Intermountain	\$ 8	\$ 1	\$ 4	\$ 4	\$ -	\$ 18	
Lower Columbia	\$ 0	\$ 2	\$ 0	\$ 2	\$ 0	\$ 4	
Middle Snake	\$ 1	\$ 1	\$ 1	\$ 0	\$ -	\$ 2	
Mountain Columbia	\$ 6	\$ -	\$ 3	\$ 4	\$ -	\$ 13	
Mountain Snake	\$ 15	\$ -	\$ 8	\$ 4	\$ -	\$ 28	
Upper Snake	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ 1	
MS/SW	\$ 13	\$ -	\$ 0	\$ 57	\$ 1	\$ 71	
Grand Total	\$ 85	\$ 8	\$ 37	\$ 95	\$ 2	\$ 226	

Table 13. Distribution of '10-'11 Expense Budgets by Purpose of Dollars and Geographic Area

This table shows a build-up from the '09 "base" project portfolio (i.e., pre-BiOp and pre-Accords), sorted geographically, with the additions of project-budget totals for '10 and '11, sorted into the groupings of new non-BiOp Accord projects, the new Accord/BiOp projects, the new non-Accord/BiOp projects, and other miscellaneous budget adjustments which occurred subsequent the July '07 BPA start-of-year budget publication that was used for the initial '09 base.

Province	'10 Project Budgets (\$ in Millions)					Total
	'09 Base	'10 Accord Addition	'10 Accord + BiOp Addition	'10 BiOp Addition	Other Budget Adjustments	
Blue Mountain	\$ 8	\$ 1	\$ 0	\$ 2	\$ 0	\$ 11
Columbia Cascade	\$ 5	\$ 4	\$ 14	\$ 1	\$ 0	\$ 23
Columbia Estuary	\$ 5	\$ -	\$ -	\$ 2	\$ 0	\$ 7
Columbia Gorge	\$ 4	\$ -	\$ 2	\$ 0	\$ 0	\$ 7
Columbia Plateau - OR	\$ 9	\$ 4	\$ 2	\$ 0	\$ 0	\$ 16
Columbia Plateau - WA	\$ 10	\$ 2	\$ 5	\$ 1	\$ 0	\$ 18
Columbia Plateau - OR/WA	\$ 3	\$ 1	\$ -	\$ 0	\$ -	\$ 3
Intermountain	\$ 11	\$ 4	\$ -	\$ -	\$ 3	\$ 18
Lower Columbia	\$ 2	\$ 0	\$ -	\$ 0	\$ 1	\$ 4
Middle Snake	\$ 2	\$ -	\$ -	\$ -	\$ 0	\$ 2
Mountain Columbia	\$ 12	\$ -	\$ -	\$ -	\$ 0	\$ 12
Mountain Snake	\$ 19	\$ -	\$ 5	\$ 4	\$ 1	\$ 29
Upper Snake	\$ 1	\$ -	\$ -	\$ -	\$ 0	\$ 1
MS/SW	\$ 41	\$ 4	\$ 1	\$ 23	\$ 0	\$ 69
Grand Total	\$ 132	\$ 21	\$ 31	\$ 33	\$ 6	\$ 220

Province	'11 Project Budgets (\$ in Millions)					Total
	'09 Base	'11 Accord Addition	'11 Accord + BiOp Addition	'11 BiOp Addition	Other Budget Adjustments	
Blue Mountain	\$ 8	\$ 1	\$ 0	\$ 3	\$ 0	\$ 11
Columbia Cascade	\$ 5	\$ 4	\$ 16	\$ 1	\$ 0	\$ 25
Columbia Estuary	\$ 5	\$ -	\$ -	\$ 2	\$ 0	\$ 7
Columbia Gorge	\$ 4	\$ 0	\$ 3	\$ 0	\$ 0	\$ 7
Columbia Plateau - OR	\$ 9	\$ 4	\$ 2	\$ 0	\$ 0	\$ 16
Columbia Plateau - WA	\$ 10	\$ 2	\$ 5	\$ 1	\$ 0	\$ 18
Columbia Plateau - OR/WA	\$ 3	\$ 1	\$ 1	\$ 0	\$ -	\$ 5
Intermountain	\$ 11	\$ 3	\$ -	\$ -	\$ 3	\$ 18
Lower Columbia	\$ 2	\$ 0	\$ -	\$ 0	\$ 1	\$ 4
Middle Snake	\$ 2	\$ -	\$ -	\$ -	\$ 0	\$ 2
Mountain Columbia	\$ 12	\$ -	\$ -	\$ -	\$ 1	\$ 13
Mountain Snake	\$ 19	\$ -	\$ 3	\$ 5	\$ 1	\$ 28
Upper Snake	\$ 1	\$ -	\$ -	\$ -	\$ 0	\$ 1
MS/SW	\$ 41	\$ 4	\$ 1	\$ 24	\$ 0	\$ 71
Grand Total	\$ 132	\$ 20	\$ 31	\$ 36	\$ 7	\$ 226

Table 14. Distribution of '10 Project Budgets for Existing, Non-Accord, Non-BiOp – Expense

This table shows, geographically, and by mitigation category, the distribution of project funding for the “base” of “existing” non-Accord, non-BiOp projects. The “existing” non-Accord/non-BiOp project budgets are extrapolated from '09 SOY budgets and incorporate the 2.5% annual inflation adjustment.

10 Project Budgets (\$ in Millions)					
Province	Habitat	Wildlife	AP (incl. RM&E)	RM&E, DM, Coord.	Total
Blue Mountain	\$ -	\$ 1	\$ 0	\$ -	\$ 1
Columbia Cascade	\$ -	\$ 1	\$ -	\$ -	\$ 1
Columbia Estuary	\$ 0	\$ -	\$ 2	\$ -	\$ 2
Columbia Gorge	\$ -	\$ 0	\$ 1	\$ 0	\$ 1
Columbia Plateau - OR	\$ -	\$ -	\$ -	\$ 0	\$ 0
Columbia Plateau - WA	\$ 0	\$ 1	\$ -	\$ 0	\$ 1
Columbia Plateau - OR/WA	\$ -	\$ -	\$ -	\$ -	\$ -
Intermountain	\$ 6	\$ 0	\$ 2	\$ 3	\$ 11
Lower Columbia	\$ -	\$ 2	\$ -	\$ 1	\$ 2
Middle Snake	\$ 1	\$ 1	\$ 1	\$ 0	\$ 2
Mountain Columbia	\$ 6	\$ -	\$ 3	\$ 4	\$ 12
Mountain Snake	\$ 3	\$ -	\$ 0	\$ 0	\$ 4
Upper Snake	\$ 1	\$ 1	\$ -	\$ -	\$ 1
MS/SW	\$ 1	\$ -	\$ -	\$ 7	\$ 8
Grand Total	\$ 17	\$ 6	\$ 7	\$ 17	\$ 47



Summary of BPA analysis of anticipated Fish and Wildlife Program spending

September 16-17, 2008
Northwest Power & Conservation Council Meeting

*Scope: This presentation summarizes a BPA analysis of
anticipated Fish and Wildlife Program spending for '09-'11 -
broken down by geographic province, project category
(i.e., habitat), FCRPS Biop, Fish Accords,
and non-Biop/non-Accord.*

Greg Delwiche, VP, Environment, Fish & Wildlife



Background & Caveats

- **Organization of Charts and Figures:**
 - **Budget Driver:**
 - **Accord/non-BiOp** } Accord projects have out-year
 - **Accord/BiOp** } budgets (post-'09)
 - **Additional BiOp projects (non-Accord)** – Commitment to work, but don't yet have out-year budgets identified
 - **Non-Accord & Non-BiOp**
 - **Geographic (Province)**
 - **Columbia Plateau split into OR and WA sub-basins**
 - **Project Type** (sorted by project, not work element):
 - **Habitat**
 - **Wildlife**
 - **Hatchery (including Hatchery RM&E)**
 - **RM&E/Data Management/Coordination**
 - **Lamprey**



Definitions of Categories

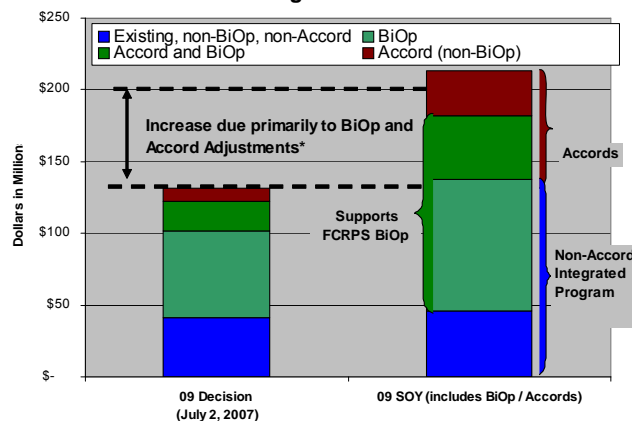
- **Existing non-BiOp/non-Accord** – those currently funded projects that are not part of the current BiOp nor Fish Accords
- **Existing non-Accord, BiOp** – currently funded* projects that are part of BiOp but not part of the Accords commitments
- **Existing Accord & BiOp** – currently funded* projects that are part of both the FCRPS BiOp and the Fish Accords
- **Existing Accord (non-BiOp)** – currently funded* projects reflected in the Accords but aren't part of the BiOp (non-ESA projects)
- **New BiOp/non-Accord** – new projects called for in the 2008 FCRPS BiOp but are not reflected in the Accords
- **New Accord & BiOp** - new projects that are part of both the FCRPS BiOp and the Fish Accords
- **New Accord (non-BiOp)** – new projects that are in the Accords but are not called for in the BiOp (non-ESA projects)

*Note: Funding levels for these projects may have changed from BPA's initial '07-'09 decision as a result of the Accords or BiOp.

3



Comparison of '09 SOY Budgets with Pre-Accord BPA Funding decision for '09



Notes:

*Change based on comparison of project-year planning budgets pre-accords and '09 SOY budgets, thus not all of these increases are directly attributable to the Accords or BiOp.

4



Data Sources - Rate Case Caveats

- **Data Source: Roll-up of project budgets**
 - **Reference Budgets** (pre-Accord, pre-BiOp): '09 project budgets posted as part of '07-'09 funding decision (July, 2007)
 - **'09 Planning Budgets**: project's '09 SOY budgets (July, 2008)
 - **'10-'11 Planning Budgets**: 2.5%/yr inflation adjustment applied to both Accord project budgets and also applied to '09 SOY budgets (for non-Accord projects) beginning in FY10
- **Figures differ from rate-case costs:**
 - Rate Case budgets are estimates of actual annual expenditures
 - Project planning budgets ≠ annual expenditures
 - F&W Program costs reflected in rate case budgets also include: overhead, placeholders, ramp-up estimates for new projects, a planning-to-actuals adjustment, and other assumptions (e.g., estimated pre-cap expenses); these adjustments are not reflected in this analysis

5



Program Expansion: Budget Driver

- Increase in '09 *planning* budget fm ~\$132m to ~\$213m
 - Note: overhead, placeholders, ramp-up estimates for new projects, and other assumptions (e.g., est. pre-cap expenses) would be added to this planning budget to get rate case figures
- Budget Driver
 - ~\$5m of general SOY increases
 - ~\$77m increase for BiOp and/or Accord work

	BiOp Increase (~\$55m)	Non-BiOp
Accord Increase (~\$46m)	\$24m	\$22m
Non-Accord	\$31m	\$5m

6

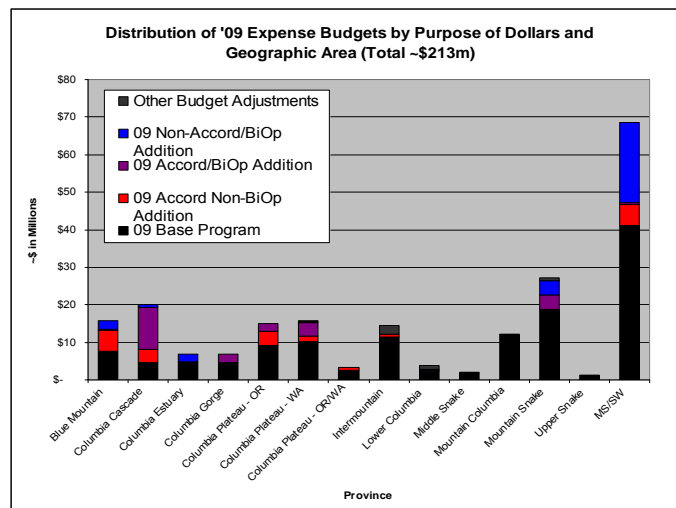


Summary of Conclusions

- The overall level of planned spending for the Integrated Program for FY09-11 is an unprecedented 55% increase over the previous three fiscal years' planning budgets for the Program.
- The FCRPS BiOp and Fish Accords create long-term funding stability/certainty for major components of the Program
- Approximately \$46M in '09 project funding does not carry commitments beyond '09 (a portion of the work in this category is, however, reflective of "maintenance" of past investments). \$31M in new work is "budgeted" for FY09 intended to implement elements of the BiOp outside of the Fish Accords (a portion still awaits selection of project sponsors). Similarly, for 2010-11, there is more than \$30M of additional money to implement elements of the BiOp outside of the Fish Accords, and more than \$45M for non-BiOp non-Accord work for a total of about \$80M annually.
- BPA's planned spending levels for FY09-11 reflect funding increases to implement both the new FCRPS Biological Opinion and the Fish Accords, *without* reducing funding for the other elements of the Program.
- BPA has proposed an annual 2.5% budget increase for projects in the Program beginning in 2010.
- It is important that the Council continue to play an important role in recommending funding of mitigation actions that are scientifically sound and are the most cost-effective means to meet Program objectives, including new BiOp actions outside those in the Accords.
- BPA also anticipates that the Council will continue playing a lead role in reforming the region's RM&E framework. Success in this reform initiative may also allow more funding to be directed to on-the-ground actions. In '09, BPA's analysis indicates that about \$56M in RM&E, data management and coordination is expected to be funded in the mainstem/systemwide category, and an additional \$33M in anticipated RM&E/data/coordination spending in the provinces.



Program Expansion: Geographic Distribution

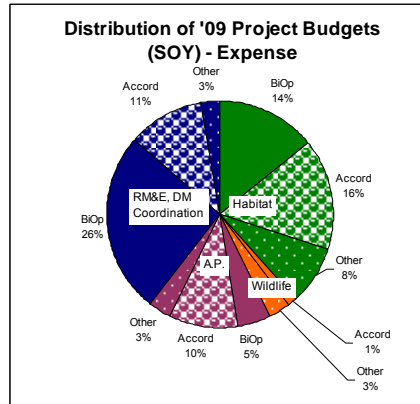




Categorical Distribution

('09 SOY Expense)

- RM&E, Data Management, and Coordination: ~\$90m
 - ~\$20m for Accords
 - ~\$50m for BiOp
 - ~\$20m Other
- Habitat: ~\$80m
- Wildlife: ~\$10m
 - ~\$2m Accord
- Artificial Production: ~\$40m
 - ~\$20m Accord
 - ~\$10m BiOp



9



Out-Year Opportunities

- Post -09 analysis assumes no change from the '09 distribution, but budgets are not firm for the post '09 non-Accord portions of the program (~\$140M).
- In '09 there is ~\$46m of existing non-BiOp, non-Accord work.
 - ~\$16m is not on the ground (RM&E/DM/Coord.)
- Options for allocating the 2.5% per year inflation adjustment beginning in 2010

10



To be continued...

- Budget White Paper – BPA will soon be developing a white paper that will explain how we plan to manage these separate program categories: Accord work, non-Accord BiOp work, non-BiOp & non-Accord work. BPA will release this paper in draft form and seek feedback on it.