

Operation and Maintenance Southwestern Power Administration

Proposed Appropriation Language

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed \$1,500 connected therewith, in carrying out the provisions of Section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, [\$26,000,000] \$27,940,000, to remain available until expended, *of which \$773,000 shall be derived by transfer from unobligated balances in "Operation and Maintenance, Southeastern Power Administration"*; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed \$4,200,000 in reimbursements, to remain available until expended.

Explanation of Change

Change in appropriation language reflects a budget authority derived, in part, from an appropriation transfer.

Operation and Maintenance Southwestern Power Administration

Executive Budget Summary

Mission

Southwestern Power Administration's (Southwestern) mission fulfills requirements of section 5 of the Flood Control Act of 1944 by marketing and reliably delivering Federal hydroelectric power, with preference given to public bodies and cooperatives. This will be accomplished by maximizing the use of Federal assets to repay the Federal investment while balancing power needs with the diverse interests of other water resource users and implementing public policy. As part of the Department of Energy's (DOE) Strategic Plan in the Energy Resources and Corporate Management business lines, Southwestern's program promotes secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

Southwestern's goals and objectives are to market and deliver power in a safe and reliable manner while providing environmental and economic benefits to the region, encouraging competition, and repaying the Federal investment plus interest.

To integrate the operation of the Federal hydroelectric generating plants and to transmit power from U.S. Army Corps of Engineers (Corps) dams to its customers, Southwestern maintains 1,380 miles of high-voltage transmission line, 24 substations, and 46 microwave and VHF radio sites. Southwestern's headquarters is in Tulsa, Oklahoma; its dispatch center is in Springfield, Missouri; and its maintenance crews are based in Jonesboro, Arkansas; Gore and Tupelo, Oklahoma; and Springfield, Missouri.

Strategy

In order to achieve safety and reliability while staying competitive, Southwestern will accomplish its mission with 177 Federal employees, 42 Contractor employees, budget authority of \$27,940,000 of which (\$773,000 will be derived from an appropriation transfer), reimbursable authority of \$4,200,000 and through three program activities: Operations and Maintenance, Construction, and Program Direction. In addition, Southwestern will perform reimbursable work activities, for Federal entities under the Economy Act of 1932 and non-Federal entities under authority provided in the annual appropriation language. All carryover balances have been reviewed as potential funding sources and have been determined to be unavailable to offset new budget authority.

FY 1998 Accomplishments (Results)

- # Marketed 100 percent of firm capacity and associated energy to public bodies and cooperatives according to Southwestern's marketing plan.
- # Produced \$429.6 million in economic benefits based on water conditions in FY 1998 and at FY 1997 average power values.

- # Saved 10.2 million barrels of oil, 2.9 million tons of coal, or 63 billion cubic feet of gas under FY 1998 water conditions through hydropower generation.
- # Achieved a System Average Interruption Duration Index (SAIDI) in which 100 percent of the points of delivery had fewer than 150 minutes of total preventable outages.
- # Achieved a power system control area compliance rating of "pass" using the North American Electric Reliability Council (NERC) performance standard.
- # Achieved a .6 lost time injury frequency rate compared to a 2.7 industry average rate.
- # Developed and implemented an open access transmission tariff.
- # Power repayment studies were completed on three power systems and rates are sufficient for repayment to remain on schedule.
- # FY 1998 audited financial data is pending which will determine the ratio between cumulative principal payments and the total Federal investment.
- # FY 1998 audited financial data is pending which will determine the results of the debt service coverage ratio.

FY 1999 Accomplishments (Planned)

- # Market 100 percent of firm capacity and associated energy offering it first to public bodies and cooperatives according to Southwestern's marketing plan.
- # Produce \$425.9 million in economic benefits under average water conditions and at FY 1998 average power values.
- # Save 9.2 million barrels of oil, 2.7 million tons of coal, or 56 billion cubic feet of gas under average water conditions through hydropower generation.
- # Achieve a SAIDI of not more than 150 minutes of total preventable outages per year per delivery point.
- # Achieve a power system control area compliance rating of "pass" NERC performance standard.
- # Maintain a safety record of a lost time injury frequency rate at or lower than the industry average.
- # Continue to implement Southwestern's open access tariff and work with the regional electric reliability council to encourage competition through cooperation with the security coordinator and development of regional transmission tariffs.
- # Perform annual Power Repayment Studies to assure that the cumulative status of repayment remains on schedule by filing new rates, if necessary.
- # Increase cumulative principal payment to total repayable Federal investment ratio by two percent based on average water conditions.
- # Achieve a debt service coverage ratio of 1.0 based on average water conditions.

FY 2000 Accomplishments (Planned)

- # Market 100 percent of firm capacity and associated energy offering it first to public bodies and cooperatives according to Southwestern's marketing plan.
- # Produce \$431.0 million in economic benefits under average water conditions and at FY 1999 average power values.
- # Save 9.2 million barrels of oil, 2.7 million tons of coal, 56 billion cubic feet of gas under average water conditions through hydropower generation.
- # Achieve a SAIDI of not more than 150 minutes of total preventable outages per year per delivery point.
- # Ensure that the power system control area operated by Southwestern receives, for each month of the fiscal year, a Control Compliance Rating of "Pass" using the North American Electric Reliability Council performance standard.
- # Achieve a safety performance of at most a 3.3 recordable accident frequency rate for recordable injuries per 200,000 hours worked or the Bureau of Labor statistics industry rate, whichever is lower.
- # Continue to implement Southwestern's open access tariff and work with the regional electric reliability council to encourage competition through cooperation with the security coordinator and development of regional transmission tariffs and integrated system operation.
- # Perform annual Power Repayment Studies to assure that the cumulative status of repayment remains on schedule by filing new rates, if necessary.
- # Meet planned repayment of principal on power investment.
- # Achieve a debt service coverage ratio of 1.0 based on average water conditions.

Major Changes

- # Beginning in FY 2000, Southwestern will no longer seek appropriations for purchase power and wheeling activities. Instead, the customers of Southwestern will make their own purchase and transmission arrangements directly with suppliers. Improved transmission access that result from restructuring of the electric industry allows most customers to continue obtaining these power purchases and wheeling services from other sources. Power receipt estimates have been reduced to reflect the reduced spending by Southwestern.
- # Southwestern's Open Access Transmission Tariff was approved on May 13, 1998. The Federal Energy Regulatory Commission (FERC) granted Southwestern's petition for Declaratory Order, finding that the tariff meets FERC's comparability standards.
- # Starting June 1, 1998, Southwestern began operating under the Southwest Power Pool regional tariff for short term transmission transactions.
- # Southwestern's Integrated System and Robert D. Willis rate increases were implemented on January 1, 1998, pursuant to interim approval by the Deputy Secretary of Energy. Southwestern implemented a rate increase of 1.9 percent for the Integrated System which also included a redesign of transmission

service rates to comply with the intent of FERC Order No. 888. FERC issued final approval of these rates on April 29, 1998. A rate increase of 13.5 percent for the Robert D. Willis project was approved on a final basis on April 28, 1998. The rate for the Sam Rayburn project was extended on an interim basis for a one-year period by the Deputy Secretary of Energy.

- # On September 18, 1998, the FERC approved Southwestern's Open Access Transmission Standards of Conduct subject to minor revisions and granted Southwestern a waiver of the separation of functions portion of the Standards of Conduct requirements.
- # A reorganization of the Maintenance activity occurred in April 1998 to effect better utilization of personnel resources by creating a team to address engineering concerns such as changes in transmission line loads resulting from system open access; and by reassigning communication maintenance to coordinate communication issues between the maintenance of the system and the Power System Dispatch Center.
- # Consistent with Southwestern's Organization 2000 Plus Initiative, Corporate Services, specifically Environment, Safety and Health and Administrative Services, reorganized in early FY 1998 to flatten the organization and reduce supervisor to employee ratios.
- # Beginning in FY 2000, the Operations and Maintenance (O&M) program activity will reflect \$415,000 of routine transmission system replacements (circuit breakers and potential transformers) that have been included in the Construction program activity in previous years. The inclusion of these routine replacements in O&M more accurately fits the O&M program description.
- # Southwestern's FY 2000 Program Direction activity has increased in part due to FY 1998 regional job surveys and negotiated union payroll increases for dispatchers (7.5 percent) and power system maintenance personnel (5.9 percent), reflecting a competitive market for these skills in a deregulated industry.
- # Southwestern's Strategic Plan was revised in FY 1998 to further align to the Department's Strategic Plan and to enable Southwestern to evaluate program performance against organizational goals and objectives.
- # Southwestern has two critical systems that are required to be Year 2000 ready. The existing Supervisory Control and Data Acquisition/Energy Management System was Year 2000 ready when installed in FY 1996. The current Integrated Accounting System is being replaced with a Year 2000 ready Joint Financial Improvement Program certified system. The new system will be operational by March 31, 1999.

Major Issues

- # The demand for energy with the resulting loads on the Federal power facilities and the age of these facilities are forcing increased maintenance and replacement of equipment.

Site Funding and Federal and Contractor Staffing Profile

(dollars in thousands)

	FY 1998	FY 1999	FY 2000
Operations and Maintenance	2,382	2,722	3,625 ^a
Purchased Power and Wheeling	57	59	0
Construction	6,752	6,817	6,684
Program Direction	17,919 ^b	16,402	17,631
Total Program	27,110	26,000	27,940
Adjustment	-1,290	0	0
Budget Authority	25,820	26,000	27,940
Federal Full-Time Equivalents	174	175	177
Contractors	45	45	42

Program Performance Measures

- # Based on the annual performance measurements review in FY 1998, Southwestern developed performance goals and objectives supported by performance measurements that crosscut programs.
- ▶ Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.
 - ▶ Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern’s work with the regional electric reliability council.
 - ▶ Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.



 Michael A. Deihl, Administrator
 Southwestern Power Administration

 January 22, 1999

 Date

^aReflects an appropriation transfer of \$773,000.

^bReflects an appropriation transfer of \$610,000.

Southwestern Power Administration

Program Mission

Southwestern Power Administration's (Southwestern) mission fulfills requirements of section 5 of the Flood Control Act of 1944 by marketing and reliably delivering Federal hydroelectric power, with preference given to public bodies and cooperatives. This will be accomplished by maximizing the use of Federal assets to repay the Federal investment while balancing power needs with the diverse interests of other water resource users and implementing public policy. As part of the Department of Energy's (DOE) Strategic Plan in the Energy Resources and Corporate Management business lines, Southwestern's program promotes secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

To integrate the operation of the Federal hydroelectric generating plants and to transmit power from U.S. Army Corps of Engineers (Corps) dams to its customers, Southwestern maintains 1,380 miles of high-voltage transmission line, 24 substations, and 46 microwave and VHF radio sites. Southwestern's headquarters is in Tulsa, Oklahoma; its dispatch center is in Springfield, Missouri; and its maintenance crews are based in Jonesboro, Arkansas; Gore and Tupelo, Oklahoma; and Springfield, Missouri.

In order to achieve safety and reliability while staying competitive, Southwestern will accomplish its mission with 177 Federal employees, 42 Contractor employees, budget authority of \$27,940,000 (of which \$773,000 will be derived from an appropriation transfer), reimbursable authority of \$4,200,000 and through three program activities: Operations and Maintenance, Construction, and Program Direction. In addition, Southwestern will perform reimbursable work activities, for Federal entities under the Economy Act of 1932 and non-Federal entities under authority provided in the annual appropriation language.

Program Goals

- # Market and deliver all available hydroelectric power from Corps dams while balancing power needs with the diverse interests of other water resource users.
- # Operate and maintain a Federal transmission system to assure reliability of the interconnected system while meeting utility safety standards and encouraging competition through open access to facilities.
- # Maximize the use of Federal assets to repay the investment, including principal and interest, and operation and maintenance costs of the Federal power program.

Program Objectives

- # Assure all power and energy is marketed, offering it first to public bodies and cooperatives.
- # Provide widespread economic benefits while assuring repayment of the Government's costs.
- # Provide environmental benefits by reducing the use of non-renewable resources.
- # Provide reliable deliveries of electric power to customers.
- # Operate the transmission system to assure efficient matching of generation to load.

- # Operate and maintain the transmission system safely.
- # Continue to provide open access to transmission facilities to encourage competition.
- # Assure that the Government's hydropower costs are repaid according to sound business principles.

Performance Measures

Southwestern's FY 2000 performance measurements support the DOE's Strategic Plan and assume that requirements of the authorizing program legislation, Section 5 of the Flood Control Act of 1944, is fulfilled. Performance measurements are to:

- # Market 100 percent of firm capacity and associated energy offering it first to public bodies and cooperatives according to Southwestern's marketing plan.
- # Produce \$431.0 million in economic benefits under average water conditions and at FY 1999 power values.
- # Save 9.2 million barrels of oil, 2.7 million tons of coal, or 56 billion cubic feet of gas under average water conditions through hydropower generation.
- # Achieve a System Average Interruption Duration Index (SAIDI) of not more than 150 minutes of total preventable outages per year per delivery point.
- # Ensure that the power system control area operated by Southwestern receives, for each month of the fiscal year, a Control Compliance Rating of "Pass" using the North American Electric Reliability Council performance standard.
- # Achieve a safety performance of at most a 3.3 recordable accident frequency rate for recordable injuries per 200,000 hours worked or the Bureau of Labor statistics industry rate, whichever is lower.
- # Continue to implement Southwestern's open access tariff and work with the regional electric reliability council to encourage competition through cooperation with the security coordinator in the development of regional transmission tariffs and integrated system operation.
- # Perform annual Power Repayment Studies to assure that the cumulative status of repayment remains on schedule by filing new rates, if necessary.
- # Meet planned repayment of principal on power investment.
- # Achieve a debt service coverage ratio of 1.0 based on average water conditions.

Significant Accomplishments and Program Shifts

Purchased Power and Wheeling

- # Beginning in FY 2000, Southwestern will no longer seek appropriations for purchase power and wheeling activities. Instead, the customers of Southwestern will make their own purchase and transmission arrangements directly with suppliers. Improved transmission access that result from restructuring of the electric industry allows most customers to continue obtaining these power

purchases and wheeling services from other sources. Power receipt estimates have been reduced to reflect the reduced spending by Southwestern.

Operations and Maintenance

- # Beginning in FY 2000, the Operations and Maintenance (O&M) program activity will reflect \$415,000 of routine transmission system replacements (circuit breakers and potential transformers) that have been included in the Construction program activity in previous years. The inclusion of these routine replacements in O&M more accurately fits the O&M program description.

Program Direction

- # A reorganization of the Maintenance activity occurred in April 1998 to effect better utilization of personnel resources by creating a team to address engineering concerns such as changes in transmission line loads resulting from system open access; and by reassigning communication maintenance to more effectively coordinate communication issues between the maintenance of the system and the Power System Dispatch Center.
- # Consistent with Southwestern's Organization 2000 Plus Initiative, Corporate Services, specifically Environment, Safety and Health and Administrative Services, reorganized in early FY 1998 to further flatten the organization and reduce supervisor to employee ratios.
- # Southwestern's FY 2000 Program Direction activity has increased in part due to FY 1998 regional job surveys and negotiated union payroll increases for dispatchers (7.5 percent) and power system maintenance personnel (5.9 percent), reflecting a competitive market for these skills in a deregulated industry.

Agency Wide

Because Southwestern's program activities are interrelated, the following accomplishments crosscut programs:

- # In FY 1998, Southwestern marketed 6.1 gigawatthours and transmission services with a gross revenue production of \$94,901,000. As of September 30, 1998, cumulative repayable Federal investment is estimated to be \$1,086,000,000. Contingent on final FY1998 audited financial statements, an estimated \$440,000,000 will have been repaid with approximately \$624,100,000 in interest.
- # Southwestern operated and maintained 1,380 circuit miles of high-voltage transmission line, 24 substations, and 46 microwave and VHF radio sites, located across three states, thereby marketing and providing reliable hydroelectric power to 93 customers and approximately 7 million end users from 24 separate power projects.
- # Southwestern's Open Access Transmission Tariff was approved on May 13, 1998. The Federal Energy Regulatory Commission (FERC) granted Southwestern's petition for Declaratory Order, finding that the tariff meets FERC's comparability standards.
- # Starting June 1, 1998, Southwestern began operating under the Southwest Power Pool regional tariff for transmission transactions.

- # Southwestern's Integrated System and Robert D. Willis rate increases were implemented on January 1, 1998, pursuant to interim approval by the Deputy Secretary of Energy. Southwestern implemented a rate increase of 1.9 percent for the Integrated System which also included a redesign of transmission service rates to comply with the intent of FERC Order No. 888. FERC issued final approval of these rates on April 29, 1998. A rate increase of 13.5 percent for the Robert D. Willis project was approved on a final basis on April 28, 1998. The rate for the Sam Rayburn project was extended on an interim basis for a one-year period by the Deputy Secretary of Energy.
- # On September 18, 1998, the FERC approved Southwestern's Open Access Transmission Standards of Conduct subject to minor revisions and granted Southwestern a waiver of the separation of functions portion of the Standards of Conduct requirements.
- # In FY 1998, Southwestern received the Department of Energy's Small Business Program Award. This award reflects Southwestern's continuing commitment to reserve a portion of the acquisition program for small and disadvantaged businesses.
- # Southwestern will make use of reimbursable authority, bill crediting, and net billing capabilities to maintain and recover the investment in the Federal power facilities, and to assure reliable electrical service to the region.
- # Southwestern's Strategic Plan was revised in FY 1998 to further align with the Department of Energy's Strategic Plan and to enable Southwestern to evaluate program performance against organizational goals and objectives.
- # Southwestern has two critical systems that are required to be Year 2000 ready. The existing Supervisory Control and Data Acquisition/Energy Management System was Year 2000 ready when installed in FY1996. The current Integrated Accounting System is being replaced with a Year 2000 ready Joint Financial Improvement Program certified system. The new system will be operational by March 31, 1999.

Funding Profile

(dollars in thousands)

	FY 1998 Current Appropriation	FY 1999 Original Appropriation	FY 1999 Adjustments	FY 1999 Current Appropriation	FY 2000 Request
Southwestern Power Administration					
Operations and Maintenance	2,382	2,722	0	2,722	3,625 ^a
Purchased Power and Wheeling	57	59	0	59	0
Construction	6,752	6,817	0	6,817	6,684
Program Direction	17,919 ^b	16,402	0	16,402	17,631
Subtotal, Southwestern Power Administration	27,110	26,000	0	26,000	27,940
Use of Prior Year Balances	-1,290	0	0	0	0
Total, Southwestern Power Administration . . .	25,820	26,000	0	26,000	27,940

Public Law Authorizations:

Public Law 78-534, "Flood Control Act of 1944"

Public Law 95-91, "DOE Organization Act of 1977", Section 302

Public Law 102-486, "Energy Policy Act of 1992"

^aReflects an appropriation transfer of \$773,000.

^bReflects an appropriation transfer of \$610,000.

Funding By Site

(dollars in thousands)

	FY 1998	FY 1999	FY 2000	\$ Change	% Change
Southwestern Power Administration	27,110	26,000	27,940	1,940	+7.5%
Subtotal, Southwestern Power Administration	27,110 ^a	26,000	27,940 ^b	1,940	+7.5%
Use of Prior Year Balances	-1,290	0	0	0	
Total, Southwestern Power Administration	25,820	26,000	27,940	1,940	+7.5%

^aReflects a funds transfer of \$610,000.

^bReflects a funds transfer of \$773,000.

Site Description

An agency of the Department of Energy, Southwestern Power Administration (Southwestern) was created in 1943 to market power and energy produced at U.S. Army Corps of Engineers hydroelectric power projects. Southwestern markets power at wholesale rates to 78 municipal utilities, 12 rural electric cooperatives, and three government agencies in the six states of Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas. To integrate the operation of the Federal hydroelectric generating plants and to transmit power from 24 U.S. Army Corps of Engineers dams to customers, Southwestern operates and maintains 1,380 miles of high-voltage transmission line, 24 substations, and 46 microwave and VHF radio sites. Southwestern operates from five locations. The Headquarters is located in Tulsa, Oklahoma; the dispatch center in Springfield, Missouri; and the maintenance crews are located in Jonesboro, Arkansas; Gore and Tupelo, Oklahoma; and Springfield, Missouri.

Operations and Maintenance

Mission Supporting Goals and Objectives

Southwestern's Operations and Maintenance (O&M) activity fulfills the requirements of Section 5 of the Flood Control Act of 1944 and reflects Southwestern's goals and objectives to market and deliver power in a safe and reliable manner while providing environmental and economic benefits to the region, encouraging competition and repaying the Federal investment plus interest. The O&M program also supports the Department of Energy's Strategic Plan to promote secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

Southwestern markets power in a six-state area from 24 multi-purpose Federal dams operated by the U.S. Army Corps of Engineers. To integrate the operation of the Federal hydroelectric generating plants and to transmit power from the U.S. Army Corps of Engineers dams to customers, Southwestern maintains 1,380 miles of high-voltage transmission line, 24 substations, and 46 microwave and VHF radio sites.

Southwestern's facilities were built 35-50 years ago and are constantly evaluated to develop a systematic maintenance program through the Maintenance Management Information System (MMIS). Data from the MMIS (age, risk of failure, life cycle of equipment), field crew evaluation, obsolescence of technology, lack of replacement parts are all variables that are assessed when determining the level of funding required for a fiscal year.

Estimates provided in this activity represent power marketing, operations, and maintenance activities. Power Marketing provides for technical and economic studies to support Southwestern's transmission planning, water resources, communications, environment, safety and health, and maintenance activities. Technical and economic studies provide data to analyze and evaluate the impacts of proposed operational changes and for decision making based on cost/benefit analysis.

The Operations activity provides for the day-to-day communications support of the Supervisory Control and Data Acquisition/Energy Management System (SCADA/EMS), and other associated communication activities. Communications also support fiber optic and microwave radio construction projects. In addition, the Operations activity develops and implements operational arrangements with competing users. In conjunction with this activity, Southwestern works with customers through alternative finance arrangements and other Federal entities in studying and implementing dissolved oxygen monitoring programs to optimize Federal hydropower production and fulfill Southwestern's contractual obligations.

The Maintenance activity provides for the day-to-day routine replacements on the transmission facilities. Activities are divided into substation and line maintenance and includes communication tower maintenance, protection of facilities, hazardous waste removal, right-of-way clearing, air patrol of lines, diagnostic testing, and general building maintenance.

Performance Measures

Southwestern's performance measures crosscut programs and support the following goals:

- # Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.
- # Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern's work with the regional electric reliability council.
- # Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.

Funding Schedule

(dollars in thousands)

	FY 1998	FY 1999	FY 2000	\$ Change	% Change
Operations and Maintenance	2,382	2,722	3,625	+903	+33.2%
Total, Operations and Maintenance	2,382	2,722	3,625	+903	+33.2%

Detailed Program Justification

(dollars in thousands)

FY 1998	FY 1999	FY 2000
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Operations and Maintenance

<p># Power marketing provides technical and economic studies for transmission planning activities such as protective relaying, environment, safety and health, water resources, communication, and maintenance.</p>	162	174	693
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- ▶ In FY 2000, annually recurring mandatory transmission planning studies will be performed:
 - S One dynamic stability evaluation;
 - S Two Southwestern Federal Power System short circuit investigations. Business essential transmission planning studies will be performed;
 - S 48 Southwest Power Pool model updates;
 - S 25 power system protective relay coordination studies;
 - S 4 Available Transmission Capacity updates (one per season);
 - S 5 customer interconnection/facility addition analyses arising from open transmission access and market pressures on Southwestern customers and connected utilities.

The number of business essential studies are increasing at a rate of 20 percent per year based on historical records.

- ▶ The funding level is appropriate for the average number of studies required per year that would have operational impacts on how Southwestern markets and delivers power. Estimate is derived from the negotiated architect/engineering contract.
- ▶ Approximately \$354,000 of planning studies were reassigned from maintenance to the power marketing activity.

(dollars in thousands)

FY 1998	FY 1999	FY 2000
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- ▶ Environmental estimate (\$165,000) includes contract services to develop an environmental plan that addresses the use and preservation of historic, archeological and cultural resources. The plan would assess the physical environment where Southwestern's transmitting facilities are located, summarize the prehistoric, ethnohistoric and historic use of the location area, and define the management and methodology of the program. Funding this program is necessary to comply with 16 USC 431-433, 16 USC 461-467, 16 USC 469, 16 USC 470; 42 USC 4321-4347, 42 USC 1996 and Executive Orders 11593, 13006 and 13007. This funding also includes a revision to the existing spill prevention, control and countermeasures plan to include reviews of Southwestern's sites. Funding this program is necessary to comply with the Natural Resources Damage Assessment requirements of the Oil Pollution Act of 1990 and 42 USC 4321, 42 USC 6901, 33 USC 1251, 40 USC 9601 and 49 USC 2601. Funding for the two plans is derived from government procurement cost estimates for similar work.

Operations provides for the development and implementation of operational arrangements with competing water users and transmission communication activities.. . . . 149 0 505

- ▶ Development and implementation of operational arrangements with competing water users will be funded through customer financing.
- ▶ In FY 2000, transmission communication costs is included in Operations. This activity had previously been reported in the Maintenance Subprogram below. The transferred communication activity includes the purchase of supplies and materials such as digital testing equipment, system modules, and work stations for SCADA support and a Geographical Information System. The Communication expense increase is related to SCADA equipment maintenance, microwave maintenance, and FERC service charges.

(dollars in thousands)

FY 1998	FY 1999	FY 2000
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- ▶ Estimates for SCADA and communications maintenance are derived from maintenance history, the age of the equipment, and annual diagnostic maintenance tests. The funding level is appropriate for the age (SCADA is approximately 3 years old and the microwave equipment is approximately 13 years old) and expected life span (7 years for SCADA and 15 years for microwave equipment) of the equipment.

Maintenance provides for day-to-day maintenance of Southwestern's 24 substations and 1,380 miles of high-voltage transmission lines. 2,071 2,548 2,427

Substation Maintenance:

- ▶ In FY 2000, work includes purchase and installation of 6 circuit breakers, 30 interchange and/or revenue meters, electrical equipment such as battery chargers, coupling capacitor voltage transformers, and potential transformers to improve system reliability; complete essential general maintenance projects; and disposal of 15 PCB contaminated electrical items.
- ▶ Maintenance estimate is based on data in the Maintenance Management Information System (MMIS) which provides the age and condition of the existing equipment that predicts maintenance intervals. Estimate is calculated on age plus risk and number of units times negotiated price per unit.

(dollars in thousands)

FY 1998	FY 1999	FY 2000
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Line Maintenance:

- ▶ In FY 2000, purchase an estimated 50 steel structures complete with crossarms and braces; complete an estimated 400 miles of planned right-of-way (ROW) clearing, including clearing the floor of the ROW and side clearing of the ROW; 150 miles of herbicide application; and routine vehicle repair and maintenance.
- ▶ The estimate for steel structures is appropriate based on data in the Overhead Transmission Maintenance System (OTMS) program. Through the use of the OTMS, the number of units (poles, crossarms, insulators) to be replaced, age of such units, and testing criteria is predetermined enabling extraction of this information at any given period of time. The estimate is calculated on existing inventory plus historical average crew production, condition of the equipment and historical pricing information for parts and materials.
- ▶ In the ROW program, the growing cycle of vegetation in Southwestern's geographical area has shown that the mechanical reclearing of brush and trees in a 3-4 year cycle is needed to avoid outages. Southwestern has begun an aggressive herbicide treatment program in addition to reclearing to eliminate undesirable vegetation and extend the reclearing cycle to reduce on going costs in the outyears. Estimate is appropriate for 400 miles of vegetation control annually with 150 miles of herbicide application. Estimate is based on number of miles plus type of terrain and historical pricing information.

Communication Maintenance:

- ▶ Starting in FY 2000, communication maintenance will be performed under the Operations Activity to align the maintenance of SCADA with the operations of the transmission system which is accomplished through SCADA.

Total, Operations and Maintenance	2,382	2,722	3,625
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Explanation of Funding Changes From FY 1999 to FY 2000

FY 2000 vs. FY 1999 (\$000)

Operations and Maintenance

# Increase in power marketing is due to a consolidation of architect and engineering (A/E) studies from maintenance to power marketing (\$+354,000) and an increase for environmental efforts (\$+165,000) is related to Cultural Resources and Spill Control and Countermeasures.	+519	
# Increase in operations is due to the maintenance reorganization whereby the communications function moved to operations from maintenance (\$+252,000). In addition, increases are reflected for SCADA upgrades (\$+145,397), microwave maintenance (\$+15,395), Southwestern Power Pool fees (\$+40,000), Federal Energy Regulatory Commission service charge (\$+26,000) and a competing use study (\$+26,208).	+505	
# Decrease in maintenance reflects a shift of the communications function from maintenance to operations (\$-252,000), with a shift of A/E studies to power marketing (\$-354,000), and an increase to perform circuit breaker and current and potential transformers installations (\$+415,000), performed in the Construction activity in previous years. In addition, increases includes environmental waste management and equipment (\$+5,000), technical software and hardware maintenance (\$+64,000), and repairs on an infrared camera for Energy Efficiency and Renewable Resource Program (\$+1,000)	-121	
Total Funding Change, Operations and Maintenance	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">+903</td> </tr> </table>	+903
+903		

Major Issues

- # The demand for energy with the resulting loads on the Federal power facilities and the age of these utilities are forcing increased maintenance and replacement of equipment.

Purchased Power and Wheeling

Mission Supporting Goals and Objectives

Beginning in FY 2000, Southwestern will no longer seek appropriations for purchase power and wheeling activities. Instead, the customers of Southwestern will make their own purchase and transmission arrangements directly with suppliers. Improved transmission access that result from restructuring of the electric industry allows most customers to continue obtaining these power purchases and wheeling services from other sources. Power receipt estimates have been reduced to reflect the reduced spending by Southwestern.

In the past, this activity provided for purchases of energy as necessary to supplement hydroelectric and wheeling services. System Support Activities are non-discretionary energy purchases necessary to supplement hydroelectric generation to meet system contractual obligations for delivering Federal power and energy. Other Contractual Activities involve the purchase of wheeling services.

Performance Measures

Southwestern's performance measures crosscut programs and support the following goals:

- # Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.
- # Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern's work with the regional electric reliability council.
- # Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.

Funding Schedule

(dollars in thousands)

	FY 1998	FY 1999	FY 2000	\$ Change	% Change
System Support Activities	0	0	0	0	0.0%
Other Contractual Activities	57	59	0	-59	-100.0%
Total, Purchased Power and Wheeling	57	59	0	-59	-100.0%

Detailed Program Justification

(dollars in thousands)

	FY 1998	FY 1999	FY 2000
System Support Activities			
# Funding request is appropriate based on Southwestern's customers funding this activity beginning in FY 2000.	0	0	0
Other Contractual Activities			
# Funding request is based on the Southwestern's customers funding this activity beginning in FY 2000.	57	59	0
Total, Purchased Power and Wheeling	57	59	0

Explanation of Funding Changes From FY 1999 to FY 2000

FY 2000 vs. FY 1999 (\$000)

System Support Activities	
# Southwestern's customers will fund System Support Activities in lieu of appropriations.	0
Other Contractual Activities	
# Southwestern's customers will fund Other Contractual Activities in lieu of appropriations	-59
Total Funding Change, Purchased Power and Wheeling	-59

Construction

Mission Supporting Goals and Objectives

Southwestern's Construction activity fulfills the requirements of Section 5 of the Flood Control Act of 1944 and reflects Southwestern's goals and objectives to market and deliver power in a safe and reliable manner while providing environmental and economic benefits to the region, encouraging competition, and repaying the Federal investment plus interest. This activity also supports the Department of Energy's Strategic Plan to promote secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

Southwestern's Construction activity provides for modification and replacement of transmission, substation, switching and communication facilities, and other power system equipment which enable Southwestern to market Federal hydropower in the most efficient and cost effective manner, and to meet operational criteria required as a member of the Southwest Power Pool, the regional electric reliability council. Southwestern is responsible to maintain and enhance power system safety and reliability, thereby assuring continued safe, reliable delivery of power to preference customers; to encourage new initiatives for more effective use of existing regional resources; and to participate with non-Federal interests in joint power projects of benefit to the Government. In addition to appropriated funds, Southwestern uses reimbursable authority, bill crediting, and net billing arrangements to fund Federal power system replacement projects to assure the reliability of the Federal Power System.

Substation and communication equipment replacements are planned to assure system reliability. The projects reflect Southwestern's efforts to reduce the risk of more frequent and extended service outages, avoid more costly replacements in the future, and support the increased open access activity on the power system. System age, risk of failure, life cycle, maintenance crew observations, obsolescence of technology, unavailability of replacement parts, budget constraints, cost, and need of more capacity are all variables that are assessed when determining the requirements of the Construction activity.

Southwestern's planned Construction projects are subject to change based on unanticipated equipment failure or customer needs. The realities of maintaining a complex interconnected power system means unforeseen priority projects will surface from time to time causing a deferment of planned projects to another fiscal year. However, all projects share a commonality in that they are replacements of aging existing equipment necessary to maintain the reliability of the Federal power system.

Performance Measures

Southwestern's performance measures crosscut programs and support the following goals:

- # Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.
- # Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern's work with the regional electric reliability council.
- # Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.

Funding Schedule

(dollars in thousands)

	FY 1998	FY 1999	FY 2000	\$ Change	% Change
Transmission System Replacements	5,987	6,387	6,278	-109	-1.7%
Capital Equipment Not Related to Construction	765	430	406	-24	-5.6%
Total, Construction	6,752	6,817	6,684	-133	-2.0%

Detailed Program Justification

(dollars in thousands)

FY 1998	FY 1999	FY 2000
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Transmission System Replacements

Substation equipment replacements are planned to assure system reliability and reliable service to Southwestern's customers. The age of substation equipment to be replaced ranges from 30 - 37 years 5,987 6,387 6,278

- ▶ In FY 2000, replacements include six duplex switch board relay panels, disconnect switches at two sites, 161-kV Breaker Bay replacement, grounding and surge protection at one site, structure refurbishment at one site, and 30 revenue meters/telemetry replacements.
- ▶ In FY 2000, purchase responsibility for circuit breakers and current and potential transformer replacements has been shifted to the Operation and Maintenance budget.

Communication equipment replacements are planned to provide necessary improvements in system reliability and reduce maintenance and equipment costs. The age of communication equipment to be replaced ranges from 30 - 35 years.

- ▶ In FY 2000, replacements include one microwave site, and 146 miles of optical shield wire. Funds are also included for maintenance and upgrades to SCADA previously covered under warranty in the original purchase.

The funding level for transmission system replacement is appropriate based on the useful service life expended multiplied by adjustment factors that reflect whether or not the equipment's electrical rating is sufficient to safely carry the calculated available current, and a factor that dictates relative maintenance demands. Estimate is derived from competitive negotiated prices per number of units.

(dollars in thousands)

	FY 1998	FY 1999	FY 2000
Capital Equipment Not Related to Construction	765	430	406
# Replace vehicles, tractors, trailers, and heavy equipment used for maintenance and repair of transmission system equipment and facilities. Replaced 14 vehicles in FY 1998 including special purpose vehicles, and an estimated 10 vehicles in FY 1999. In FY 2000, 5 heavy duty trucks and 4 vehicles for line crew transportation are planned.			
# Funding level is appropriate based on GSA and DOE usage and replacement guidelines and the type of equipment needed to maintain 1,380 miles of transmission lines. Estimates are derived from GSA pricing schedules.			
Total, Construction	\$6,752	\$6,817	\$6,684

Explanation of Funding Changes From FY 1999 to FY 2000

	FY 2000 vs. FY 1999 (\$000)
Transmission System Replacements	
# Decrease in transmission system replacements is primarily attributed to the shift in responsibility for circuit breakers and current and potential transformer replacements to field maintenance funded in the Operations and Maintenance Budget (\$-415,000). Increase reflects continued efforts to replace corroded static wire with fiber optic cable (\$+306,000)	-109
Capital Equipment Not Related to Construction	
# Decrease in Capital Equipment Not Related to Construction is primarily attributed to anticipated cost savings due to purchase negotiations for special purpose vehicles . . .	-24
# Total Funding Change, Construction	-133

Major Issues

- # The demand for energy with the resulting loads on the Federal power facilities and the age of these utilities are forcing increased maintenance and replacement of equipment.

Southwestern Power Administration Program Direction

Mission Supporting Goals and Objectives

Southwestern's Program Direction activity is based upon Southwestern's Organization 2000 Plus Initiative to reduce costs and to streamline the organization and provides salaries and benefits, travel, support services, and other support related services required to implement the requirements of Section 5 of the Flood Control Act of 1944 and reflects Southwestern's goals and objectives to market and deliver power in a safe and reliable manner while providing environmental and economic benefits to the region, encouraging competition, and repaying the Federal investment plus interest. This activity also supports the Department of Energy's Strategic Plan to promote secure, competitive, and environmentally responsible energy systems by reducing the vulnerability of the U.S. economy to disruptions in energy supplies.

Southwestern's Program Direction activity provides compensation and all related expenses for Federal personnel who operate and maintain Southwestern's high-voltage power system and associated facilities and who plan, design, and supervise the construction of replacements, upgrades, and additions (capital investments) to the power system facilities. Also included are personnel who negotiate and administer power marketing contracts, develop wholesale power rates, develop and implement operational arrangements with competing water users, schedule and deliver power to preference customers, implement environment, safety and health programs, and provide for general administration and management. These employees include, but are not limited to, civil, electrical, and electronic engineers, high-voltage linemen and electricians; power system dispatchers; public utility specialists; environmental and safety specialists; and administrative staff. Southwestern will continue to share facilities and administrative services with another DOE office. Travel associated with the operation and maintenance of the power system facilities continues at approximately the same level. Other travel needs have been reduced due to video conferencing capabilities.

The investment in support services continues to assure program support for Southwestern in the areas of word processing, records management, public affairs, computer programming, data processing, environmental, engineering, and drafting and design. Drafting and design and environmental and engineering support will continue to focus on efforts in power system replacements. Other related expenses supports Southwestern in the areas of rental space, telecommunications, utilities, printing, training, supplies, materials, non-capitalized equipment, and the working capital fund.

In FY 1998, Southwestern purchased a Year 2000 ready Joint Financial Improvement Program certified system to replace the current Integrated Accounting System. The new system is expected to be operational by March 31, 1999.

Performance Measures

Southwestern's performance measures crosscut programs and support the following goals:

- # Market and deliver all available hydroelectric power as measured by the amount of firm capacity and associated energy delivered, economic benefits realized, and fossil fuels saved.
- # Operate and maintain the transmission system as measured by the NERC standard, the SAIDI, a recordable accident frequency rate, and Southwestern's work with the regional electric reliability council.
- # Repayment of the Federal investment as measured by the cumulative status of repayment, the planned repayment of principal on the power investment, and a 1.0 debt service coverage ratio.

Funding Schedule

(dollars in thousands, whole FTE)

	FY 1998	FY 1999	FY 2000	\$ Change	% Change
Program Direction ^a					
Salaries and Benefits	11,995	11,829	13,170 ^b	+1,341	+11.3%
Travel	1,010	705	620	-85	-12.1%
Support Services	1,970	1,970	1,966	-4	-0.2%
Other Related Expenses	2,944 ^c	1,898	1,875	-23	-1.2%
Total, Program Direction	17,919	16,402	17,631	+1,229	+7.5%
Full-Time Equivalent (FTE)	174	175	177 ^d	2	+1.1%

^aThe amounts included in Program Direction represent all salaries and benefits, all travel expenses and related personnel costs for Operations and Maintenance and Construction activities. It should be noted that this value represents not only Southwestern's administrative and/or overhead expenses, but includes direct program activity costs associated with FTE usage.

^bHigher than estimated cost-of living increases in FY 1998 and FY 1999 resulted in fewer dollars for FTE for dispatchers and power system maintenance crews. The FTE level of 177 reflects estimates based on currently known average utility industry salaries.

^cReflects an appropriation transfer of \$610,000.

^dOutyear FTE levels may be higher than 177 FTE. Usage projections for the outyears will be determined based on industry restructuring requirements. This will result in a continued policy to ensure that staffing levels are adequate to maintain a safe and reliable Federal transmission system.

Detailed Program Justification

(dollars in thousands)

FY 1998	FY 1999	FY 2000
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Salaries and Benefits

Funding in this activity is for skilled Federal employees who operate and maintain Southwestern's high-voltage interconnected power system and associated facilities, and the administrative support staff. Estimate is derived from the current year budgeted salaries and benefits plus cost-of-living adjustments plus or minus FTE change plus promotions and within grade increases. Benefits are calculated based on a percentage of prior year actuals as applied against FY 2000 budgeted salaries. This level is appropriate for 177 FTE of which 40 percent of the salaries are driven by union contract and regional pay surveys.

11,995 11,829 13,170

Travel

Estimate includes transportation and per diem, incurred in the operation and maintenance of Southwestern's geographically dispersed power system and the performance of general administrative functions. Estimate is derived from the daily requirement of the field maintenance personnel to maintain 1,380 miles of transmission line plus a self imposed ceiling to limit all other travel and Federal travel limitations. This level is appropriate to assure reliability of the power facilities, represent the Government's interests at State, and electric municipal, and cooperative customer meetings, meet externally imposed training requirements and respond to required appearances such as the Congressional Hearings.. . . .

1,010 705 620

Support Services

Estimate includes automated data processing, drafting, and general administrative support. Estimate is derived from the negotiated contract amount essential to Southwestern's mission. Funding level is based on the critical and essential computer based systems at Southwestern, the number of construction projects, and basic clerical and record support

1,970 1,970 1,966

(dollars in thousands)

FY 1998	FY 1999	FY 2000
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Other Related Expenses

Estimate includes funding for rental space, telecommunications, utilities, printing and reproduction, training tuition fees, maintenance and repair of office equipment, supplies, non-capitalized equipment, working capital fund and Year 2000 compliant financial management system software Estimate is based on fixed costs plus a 2.1 percent inflation factor, age of equipment, comparative vendor estimates, and DOE assessments. This estimate is appropriate based on 43,000 square feet of leased space, communications, utilities, and repair and purchase of office equipment at Headquarters, and four field offices.

	2,944	1,898	1,875
Total, Program Direction	17,919	16,402	17,631

Explanation of Funding Changes from FY 1999 to FY 2000

FY 2000 vs. FY 1999 (\$000)

Salaries and Benefits

# Higher than expected cost-of-living increases occurred in FY 1998 for dispatchers (7.5 percent) and power system maintenance crews (5.9 percent). The increase for dispatchers is based on an annual regional survey for similar electric utility positions. The increase for power system maintenance crews is based on a union negotiated agreement. These increases were budgeted in FY 1998 and FY 1999 at a much lower level, causing a cumulative shortfall since FY 1998. Additionally, the salaries and benefits increase reflects cost-of-living increases (4.1 percent) and within grade increases for General Schedule employees. Promotions are reflected in all job categories. Finally, two additional FTEs are reflected.	+682
# An increase in overtime is due to salary increases, demands to maintain an aging transmission system, and implementation of open access.	+32
# Agency Achievement, Improvement and Measurement (AIM) awards reflect an increase because no AIM awards were budgeted in FY 1999 due to carryover from previous years.	+244
# Workers' Compensation was inadvertently budgeted in Other Related Expenses in FY 1999 and is properly included in Salaries and Benefits with a slight increase.	+383
Total, Salaries and Benefits	+1,341

FY 2000 vs. FY 1999 (\$000)

Travel

Reflects a decrease due to increased usage of video conferencing, use of the Training Center, and more stringent prioritization of travel needs -85

Support Services

Due to a reorganization of Corporate Services functions, reallocations from ADP (\$-503,000), Environmental and Engineering Support (\$-60,000), and Drafting and Design Support (\$-36,000) were made to Clerical/Records Management (\$+595,000) to accurately reflect the current organizational structure and functions. -4

Other Related Expenses

Rent (Tulsa Headquarters building lease and storage). +60

Telecommunications (FTS and local phone service). +286

Contract services (training requirements for procurement certification, security system maintenance, and facility services such as janitorial, repairs, office moves, painting, additional heat and air conditioning during non-core working hours. +102

Printing and reproduction services. +13

Office equipment. +17

Reassignment of Workers' Compensation to Salaries and Benefits. -375

ADP and security supplies and materials. -70

Tort claims. -16

Contract Services (benchmarking studies, temporary help and legal investigations) -40

Total, Other Related Expenses -23

Total Funding Change, Program Direction +1,229

Support Services

(dollars in thousands)

	FY 1998	FY 1999	FY 2000	\$ Change	% Change
Technical Support Services					
Drafting and Design Support	90	126	90	-36	-28.6%
Environmental & Engineering Support	255	260	200	-60	-23.1%
Total, Technical Support Services	345	386	290	-96	-24.9%
Management Support Services					
Clerical/Records Management	267	232	827	+595	+356.4%
ADP Support	1358	1352	849	-503	-37.2%
Total, Management Support Services	1,625	1,584	1,676	+92	+5.8%
Subtotal, Support Services	1,970	1,970	1,966	-4	-0.0%
Use of Prior Year Balances	0	0	0	0	0.0%
Total, Support Services	1,970	1,970	1,966	-4	-0.0%

Other Related Expenses

(dollars in thousands)

	FY 1998	FY 1999	FY 2000	\$ Change	% Change
Training	162	154	173	+19	+12.3%
Working Capital Fund	55	55	55	0	0.0%
Printing and Reproduction	137	95	108	+13	+13.7%
Rental Space	650	405	465	+60	+14.8%
Software Procurement/Maintenance Activities/Capital Acquisitions	1,529	899	839	-60	-6.7%
Other	411	290	235	-55	-19.0%
Subtotal, Other Related Expenses	2,944	1,898	1,875	-23	-1.2%
Use of Prior-year Balances	0	0	0	\$0	0.0%
Total, Other Related Expenses	2,944 ^a	1,898	1,875	\$-23	-1.2%

^aReflects a funds transfer of \$610,000.

DEPARTMENT OF ENERGY
 FY 2000 CONGRESSIONAL BUDGET REQUEST
 POWER MARKETING ADMINISTRATION

REVENUES AND RECEIPTS
 (Dollars in Thousands)

	<u>FY 1998</u>	<u>FY 1999</u>	<u>^aFY 2000</u>	<u>FY 2001</u>
<u>Southwestern Power Administration</u>				
^b Gross Revenues	94,901	100,503	97,470	97,218
Sale and transmission of electric energy	94,901	100,503	97,470	97,218
Net billing and bill crediting amount credited back to Appropriations as an offsetting receipt	-6,324	-5,900	-5,100	-5,100
Total Proprietary Receipts	88,577	94,603	92,370	92,118
Percent of sales to preference customers	100%	100%	100%	100%
Energy Sales from Power Marketed (billions of kilowatt hours)	6.1	5.4	5.5	5.5
		<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
<u>Southwestern Power Administration</u>				
Gross Revenues		97,308	97,307	97,307
Sale and transmission of electric energy		97,308	97,307	97,307
Net billing amount credited back to Appropriations as an offsetting receipt		-5,100	-5,100	-5,100
Total Proprietary Receipts		92,208	92,207	92,207
Percent of sales to preference customers		100%	100%	100%
Energy Sales from Power Marketed (billions of kilowatt hours)		5.5	5.5	5.5

^aBeginning in FY 2000 Southwestern customers will fund their own power purchases and transmission arrangements. Power receipts have been reduced to reflect the reduced spending by Southwestern.

^bGross Revenues for FY 1998 and the outyears include approximately \$2 million to recover the unfunded portion of the Civil Service Retirement System and Post-Retirement Health Benefits for Southwestern and the U.S. Army Corps of Engineers power related employees.

DEPARTMENT OF ENERGY
 FY 2000 CONGRESSIONAL BUDGET REQUEST
 SYSTEMS STATISTICS

SOUTHWESTERN POWER ADMINISTRATION
 (In thousands of dollars)

	FY 1998	FY 1999	FY 2000
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
<u>Generating Capacity:</u>			
Installed Capacity (KW)	2,157,700	2,157,700	2,157,700
Peak Capacity (KW)	2,093,500	2,093,500	2,052,500
<u>Generating Stations:</u>			
Generating Projects (No.)	24	24	24
Substations/Switchyards (No.)	24	24	24
Substations/Switchyards (KVA Capacity)	1,026,900	1,026,900	1,026,900
<u>Available Energy:</u>			
Energy Generated (Megawatthours)	6,173,641	5,276,900	5,234,900
Energy Received (Megawatthours)	95,205	211,900	292,900
Energy Available for Marketing (Megawatthours)	6,268,846	5,488,800	5,527,800
<u>Transmission Lines (Circuit Miles):</u>			
161 KV	1,117	1,117	1,117
138 KV	164	164	164
69 KV	99	99	99
Total Circuit Miles	<u>1,380</u>	<u>1,380</u>	<u>1,380</u>

DEPARTMENT OF ENERGY
FY 2000 CONGRESSIONAL BUDGET REQUEST

POWER MARKETED, WHEELED OR EXCHANGED BY STATE

SOUTHWESTERN POWER ADMINISTRATION

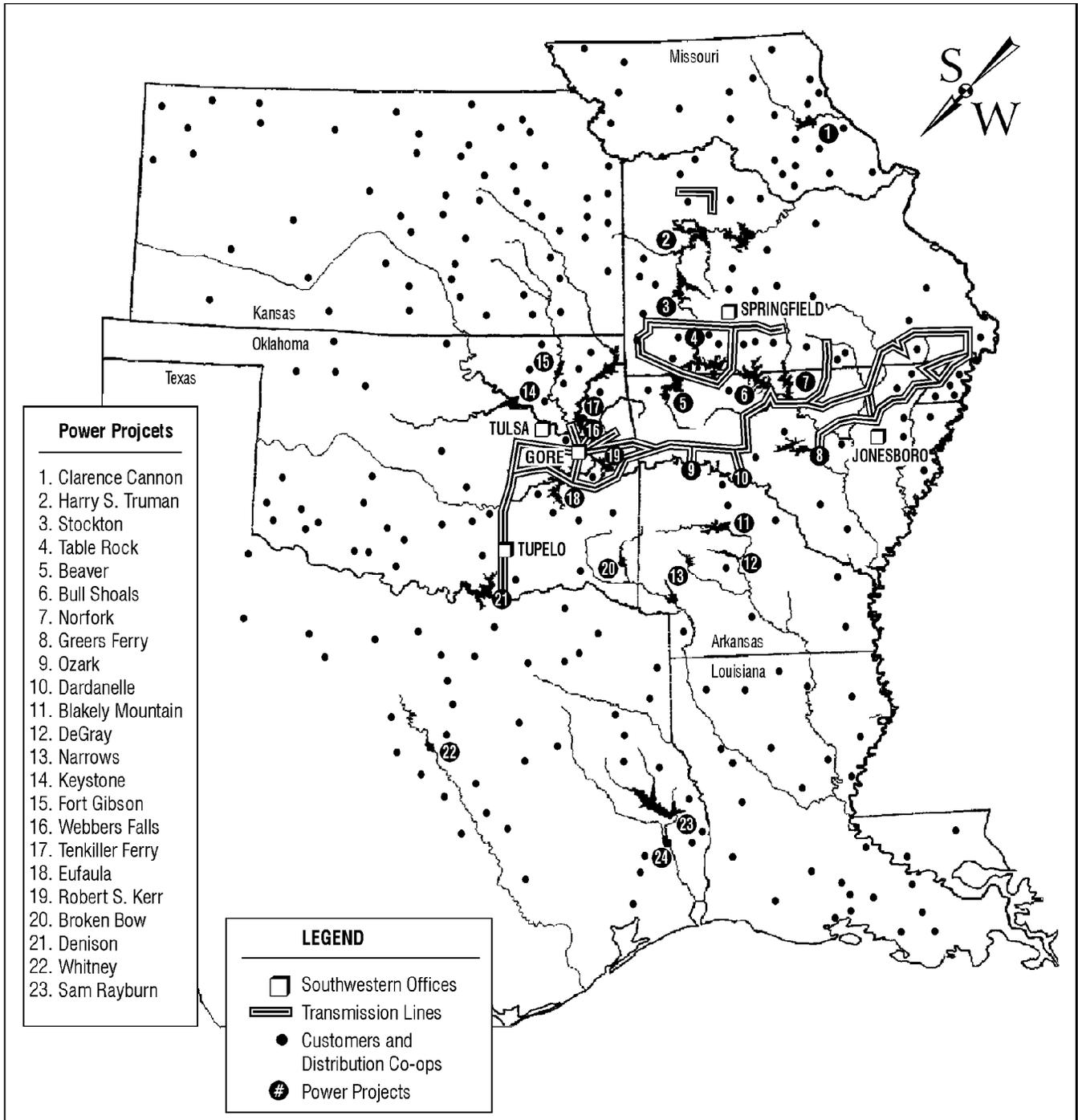
<u>Project</u>	<u>State</u>	<u>No. Of Plants</u>	<u>Installed Capacity (KW)</u>	<u>FY 1998 Actual Energy (GWh)</u>	<u>FY 1999 Estimated Energy (GWh)</u>	<u>FY 2000 Estimated Energy (GWh)</u>
<u>Power Marketed:</u>						
Interconnected System	Missouri	4	463,200	1,864	1,676	1,689
	Arkansas	9	1,021,000	1,168	1,051	1,058
	Oklahoma	7	514,100	1,261	1,134	1,142
	Texas	2	100,000	725	652	656
	Louisiana	0	0	405	364	367
	Kansas	0	0	511	460	463
Subtotals		22	2,098,300	5,934	5,337	5,376
<u>Isolated:</u>						
Robert D. Willis Project						
Sam Rayburn Project						
50% to Texas		2	59,400	159	76	76
50% to Louisiana		0	0	39	76	76
Subtotals		2	59,400	197	152	152
<u>Total Power Marketed</u>		24	2,157,700	6,131	5,489	5,528
<u>Power Wheeled/Exchanged:</u>						
Wheeled (MW)				574	494	586
Exchanged (GWh)				163	137	185

Department of Energy

FY 2000

Congressional Budget Request

Southwestern Power Administration System Map



DEPARTMENT OF ENERGY
FY 2000 CONGRESSIONAL BUDGET REQUEST

PENDING LITIGATION

SOUTHWESTERN POWER ADMINISTRATION

Cajun Electric Power Cooperative, Inc., Case No. 94-2763-B2, Bankruptcy Case No. 94-11474 (filed 12/21/94), a reorganization pending in the Middle District of Louisiana which may ultimately require redistribution of Federal power to Cajun Electric Power Cooperative members.