

UPDATE

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The **UPDATE** is published by and for customers, retirees, and employees of Southwestern Power Administration like:



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Strategic Workshop Unites Hydropower Community

At the invitation of the U.S. Army Corps of Engineers (Corps), Federal power customers joined representatives of the Corps, the Power Marketing Administrations, and national Federal power customer associations in Tulsa, Oklahoma, on August 9-10, 2005, for the second Hydropower Strategic Workshop.

Nearly 100 people, including those involved in the daily operation of Corps hydropower projects and powerplants, managers and technical staff of Federal power customers, and top level executives from the U.S. Department of the Army and the U.S. Department of Energy gathered from all across the nation to provide their direction and input for the future of the Corps' hydropower program.

The stated purpose of the workshop was to develop a unified hydropower strategy for the future; validate the Corps' hydropower mission, vision, and strategic objectives and initiatives; and develop a communication strategy to raise national awareness and understanding of Federal hydropower assets and issues.



BRENT MAHAN, MARSHALL BOYKEN, KAMAU SADIKI, ANDREW LACHOWSKY, AND OTHER CONFERENCE PARTICIPANTS DISCUSS VARIOUS PROGRAM INITIATIVES DURING A GROUP BREAK-OUT SESSION.

Workshop Day One

Newly selected Corps Hydropower Business Line Manager Kamau Sadiki started off the workshop activities by welcoming the participants to Tulsa and outlining objectives for the workshop. Opening comments were provided by John Roberts, Deputy District Engineer for Programs and Project Management of the Corps' Tulsa District. Southwestern Administrator Mike Deihl reminded participants that there are different needs for the different Power Marketing Administrations, and he encouraged everyone to be open-minded and empowered to make decisions at the lowest levels. Ted Coombes, Executive Director of the Southwestern Power Resources Association, echoed Deihl's remarks and requested that the workshop participants remain open to the many unique perspectives of Federal hydropower stakeholders.

Kamau Sadiki then introduced special guest Claudia Tornbloom, Deputy Assistant Secretary of the Army for Civil Works (Management and Budget), who gave a presentation

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entitled "21st Century Challenges for Hydropower." Tornbloom said there were three main challenges for the Corps hydropower program: (1) the multipurpose aspect of the Corps' hydropower projects; (2) process planning; and (3) funding for operations, maintenance, and



ELECTRIC UTILITY DIRECTOR DAVID YEAGER, OF THE CITY OF DUNCAN, OKLAHOMA, CONFERS WITH CORPS HYDROPOWER BUSINESS LINE MANAGER KAMAU SADIKI.

rehabilitation of aging projects. She pointed out that uses of Corps projects are rapidly changing, with recreation and other uses becoming ever more high-profile, and said that hydropower must learn to compete with these other project uses as funding dollars continue to become more scarce. She reiterated the need for multi-year system planning and the importance of keeping multiple funding sources available, including Federal appropriations, direct funding through the use of Power Marketing Administration receipts, and customer funding of non-routine maintenance items and major rehabilitations.

Representatives from the national Federal power customer associations then conducted a panel discussion in which they addressed issues among their respective regions. Ted Coombes represented customers of Southwestern Power Administration; Tom Graves, Executive Director of the Mid-West Electric Consumers Association, represented customers from the Pick-Sloan Missouri Basin region of the Western Area Power Administration; and Roger Smith, President of the Southeastern Federal Power Customers, represented customers from Southeastern Power Administration.

The panel discussed impacts of competing uses at Corps hydropower projects, compensation for the lost benefits to hydropower of reallocating water storage in Corps reservoirs, customer funding of non-routine maintenance

items and rehabilitation of Corps projects, and the cost of security initiatives currently being undertaken at Corps projects to address national security issues.

Following the panel discussion, Brent Mahan, Chief of the Corps' Hydropower Design Center (and former Acting Hydropower Business Line Manager), summarized the results of the first Hydropower Strategic Workshop, held in Denver, Colorado, in July 2004, and spoke about the direction of the hydropower community since that time.

With the help of workshop facilitators Donna Ayers and David Lichy, both with the Corps' Institute for Water Resources, the group spent the rest of the afternoon finalizing the mission and vision statements of the Corps' hydropower program, and reaching consensus on the draft strategic objectives developed during the first workshop.

Many of the participants convened that evening at a hotel reception sponsored by the Southwestern Power Resources Association.

Workshop Day Two

The next morning, participants heard from Hiroshi Eto, Hydropower Program Manager for the Corps' Northwestern Division, who talked about what the Corps has been doing to move the hydropower community closer to meeting the draft hydropower strategic objectives developed during the first workshop.

Ted Coombes then gave a presentation on Federal power preference customer associations, including who Federal power groups are, what they do, and who they represent. Coombes also explained the concept and importance of the preference principal, as stated in the Flood Control Act of 1944 and other authorizing language of the Power Marketing Administrations.

Afterwards, facilitator Donna Ayers organized workshop participants into small groups to begin discussion on the potential ways of achieving these objectives through initiatives. The initiatives developed by each group were then voted on by the entire workshop at large during the noon break to prioritize their importance going forward to the hydropower community.

Following the small group work, guest speaker Deborah Linke, Manager of the Power Resources Office of the U.S. Bureau of Reclamation, addressed participants on the future direction of water resources and implications for hydropower. Linke's presentation featured examples on both a national and global scale, and she related ongoing Corps Federal hydropower issues to general hydropower issues worldwide.

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“What Makes Southwestern Tick” Wraps Up



PROFESSOR MIKE DEIHL

An energetic undertaking that began in January 2005 came to a successful conclusion in July as Administrator Mike Deihl wrapped up his all-encompassing course on the hydroelectric industry. Dubbed “Mike’s School of What Makes Southwestern Tick,” the weekly classes at the Tulsa office explored every facet of Southwestern’s existence, covering such wide-ranging ground as dam construction, electromagnetism, transmission grids, the U.S. Army Corps of Engineers, regulations, budgets, and tariffs. Each class was videotaped for intranet distribution to Southwestern’s field offices.

Deihl was enthusiastic about the idea of taking employees on a classroom tour of all things hydropower, and the original 12-week course grew to be over four months long. “I wanted to provide a broad view of what Southwestern really is, to show how it is a ‘complex machine,’ and

how every employee is an important part of that machine,” says Deihl. His efforts were met with great enthusiasm from the numerous employees who attended.

“You didn’t have to be an engineer to understand the production of hydro electricity, and you didn’t have to be an accountant to understand the budget process,” says Public Utilities Specialist Jan Woolverton who appreciated the clear, concise presentations. “I wish this training had been available 25 years ago when I first came to work.”

“People really got the opportunity to ask questions about the organization that they might not normally have thought about,” says Gary Swartzlander, Director of the Division of Financial Management, adding that he was “definitely impressed” with the broad scope of the class. He was intrigued by the activities of the line crews and substation crews out in the field. “I got a better picture of what they actually accomplish on a day-to-day basis. It is important, sophisticated work,” he says.

Cris Van Horn, Director of the Division of Acquisition & Facilities Services, was also pleased with the broad-based curriculum. “It was good for me and my employees to gain an understanding of Southwestern’s business lines,” she says.

In the latter weeks of the course, Deihl welcomed other Southwestern employees to the podium to discuss their areas of operation, including General Engineer Carlos Valencia, Budget Officer Aleta Wallace, Public Utilities Specialist Stephanie Bradley, and Budget Analyst Laura Holman. Additionally, the class incorporated an occasional video presentation, including footage of an actual dam failure. “Actually,” chuckles Deihl, “I was using that one to ‘break up’ the lectures.”

Even representatives from Southwestern’s main customer group, the Southwestern Power Resources Association (SPRA), got in on the act, with Executive Director Ted Coombes giving a presentation on SPRA, and Director of Member Services Barbara DelGrosso contributing to various classes with the customers’ perspective.

Deihl admits that he was “surprised” with his students’ participation from the very first day. “I was impressed with the devotion they all showed, the questions they asked, and the sharing of thoughts among themselves,” he says, adding, “I am humbled by the overwhelming compliments and thanks. It was a teacher’s dream come true!” 💧

SPARKS OF INTEREST



COLONEL GREGG F. MARTIN ASSUMED COMMAND

of the U.S. Army Corps of Engineers (Corps) Northwestern Division on July 22, 2005. Prior to this assignment, Colonel Martin held numerous command and staff positions in the United States, Germany, and Honduras, most recently serving as Deputy Director of Operations for the U.S. Army in Europe. He was instrumental in reconstruction activities during the first year of Operation Iraqi Freedom in 2003-2004, commanding an expanded

engineer brigade that built and repaired roads, bridges, airfields and bases during and after the initial campaign. A native of Massachusetts, Martin graduated from the U.S. Military Academy in 1979 and holds a Master of Science in Civil Engineering and in Technology Policy, as well as a Ph.D. in Construction Engineering Management and Public Policy, from the Massachusetts Institute of Technology.

Outgoing commander Brigadier General William T. Grisoli, who served the Northwestern Division since July 2003, has been assigned as Commander and Division Engineer for the Corps' North Atlantic Division in New York City. 💧

THE NEXT QUARTERLY MEETING OF THE SOUTHWESTERN POWER RESOURCES

ASSOCIATION (SPRA) will be held September 20-22, 2005, in San Antonio, Texas.

Committee meetings will include Rates, Competing Uses, Federal Power Marketing, and Hydro Operations. For registration and meeting information, contact Barbara DelGrosso, SPRA's Director of Member Services, at 918-622-7800 or bdg18@sbcglobal.net. 💧



NEW EMPLOYEES

RON BECK

POWER SYSTEM DISPATCHER

DIVISION OF SCHEDULING & OPERATIONS

SPRINGFIELD, MO

JEREMY ROGERS

ACCOUNTANT

DIVISION OF FINANCIAL MANAGEMENT

TULSA, OK

TRACY WHITE-DAVIDSON

ACCOUNTANT

DIVISION OF FINANCIAL MANAGEMENT

TULSA, OK

TERRY WILLIS

ACCOUNTING TECHNICIAN

DIVISION OF FINANCIAL MANAGEMENT

TULSA, OK

Creating a Unified Strategy for Federal Hydropower

Most participants in the Hydropower Strategic Workshop, held in Tulsa, Oklahoma, August 9-10, 2005, simply enjoyed the opportunity to come face to face with their counterparts and colleagues from different areas of the country. However, as individual parts of a nationwide community, the participants had one important goal – to validate and develop a unified strategy for Federal hydropower in the future. In support of that goal, the group refined the Mission, Vision, and Strategic Objectives drafted during the first Hydropower Strategic Workshop, and developed key initiatives to support the objectives of the Corps' hydropower program.

Mission

Provide reliable hydroelectric power services at the lowest possible cost, consistent with sound business principles, in partnership with other Federal hydropower generators, the Power Marketing Administrations, and Preference Customers, to benefit the Nation.

Vision

Be premier stewards of entrusted hydropower resources.

Objective 1: Provide dependable power services at the lowest sustainable cost through sound project management principles.

≈ Apply asset management strategies to manage resources.

Objective 2: Meet or exceed industry standards for generation reliability and availability through such strategies as asset management, standardization, and sustainment of a skilled workforce.

≈ Continue to press for use of Power Marketing Administration receipts to get better access to funds for repair.

≈ Go back to training programs like the Corps once had. Implement train-the-trainers programs.

≈ Resource leveling and standardization.

≈ Improve efficiency/speed of the procurement process.

Objective 3: Strengthen and sustain hydropower partnerships with Power Marketing Administrations, preference customers, and Federal power agencies.

≈ Improve the decision-making process. Push decisions to the lowest feasible level. Speed up decision making.

≈ Hold regular face-to-face meetings semi-annually.

≈ Identify joint themes/efforts across the community (Federal power agencies, Power Marketing Administrations, customer groups).

Objective 4: Optimize hydropower resources within authorized project purposes and environmental laws.

≈ Establish an emergency repair funding source and criteria to draw on this fund.

≈ Valuing power – develop a common methodology; develop collaboratively.

≈ Recognize transmission constraints to get replacement power.

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When the workshop participants reconvened after Linke's presentation, facilitator David Lichy provided the results of the noon voting. The group analyzed the voting results in several different ways and came to consensus on which initiatives to move forward with during the upcoming year (see related story, page 5). To steer the work efforts, leaders were identified for each initiative. The group then worked on formulating a national communication strategy for hydropower interests.

Kamau Sadiki closed the workshop with a summary of strategic objectives and a description of next steps for Federal hydropower stakeholders, including consensus on a national hydropower communication strategy, and work refining the objectives, initiatives, and performance measures of the Corps' hydropower program.

Bethel Herrold, Lead Hydraulic Engineer for Southwestern, believes that the second Hydropower Strategic Workshop went very well. "It gave the stakeholders a chance to convene in one place, say their piece, and be heard. Understanding of each others' positions and a unified stance regarding the direction and value of Federal hydropower will help focus the hydropower community and ensure the continuation of Federal hydropower as a valuable resource to the Nation." 💧

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New Colonel at the Corps

E-MAIL PAO@SWPA.GOV TO RECEIVE THE **UPDATE** ELECTRONICALLY.