



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

EXECUTIVE OFFICE

JAN 26 2015

In reply refer to: A-7

MEMORANDUM FOR ELLIOT E. MAINZER, ADMINISTRATOR and CHIEF EXECUTIVE OFFICER,
BONNEVILLE POWER ADMINISTRATION

THROUGH:

CLAUDIA R. ANDREWS *Claudia R. Andrews*
CHIEF OPERATING OFFICER, BONNEVILLE POWER ADMINISTRATION

JOHN L. HAIRSTON *John L. Hairston*
CHIEF ADMINISTRATIVE OFFICER, BONNEVILLE POWER ADMINISTRATION

THOMAS A. MCDONALD *Thomas A. McDonald*
CHIEF COMPLIANCE OFFICER, COMPLIANCE AND GOVERNANCE (ACTING),
BONNEVILLE POWER ADMINISTRATION

FROM:

BRIAN E. CARTER *Brian E. Carter*
HUMAN RESOURCES OFFICER, BONNEVILLE POWER ADMINISTRATION

SUBJECT:

DIRECTIVES EQUIVALENCY APPROVAL MEMORANDUM

PURPOSE: To document BPA's equivalencies for some sections of DOE Order 331.1C, *Employee Performance Management and Recognition System*.

BACKGROUND: BPA has not traditionally followed DOE Order 331.1C, *Employee Performance Management and Recognition System*. BPA is exempted per section 3c(2) of the Order. As part of BPA's Human Capital Management 2014 "Get Well" plan and efforts, this exemption was reviewed, and the determination was made that BPA would no longer be exempt from this Order in its entirety. It was determined that BPA would be exempt from sections 4a(1) and 4d(5)(a)1. BPA was not exempted at the time from all of section 4d, *Performance Awards*, based on the understanding that an exemption was not needed because BPA's new directive was not contradictory to the Order's language regarding performance awards. However, there are indeed contradictions which require BPA's equivalency request for all of section 4d. This

memo documents the rationale for this exclusion and describes the equivalencies that exist to assure that BPA is following all applicable laws and regulations.

JUSTIFICATION: BPA's equivalency is BPA HR Directives 007, *Performance Management* and BPA HR Directive 008, *Employee Recognition & Awards*. These BPA HR directives are consistent with the provisions of DOE Order 331.1C, with a few exceptions. Section 4a(1) does not allow for the establishment of different rating cycles for non-supervisory employees, supervisors and managers. The difference in cycles is a long-standing past practice for the BPA workforce, and changing it would create unnecessary confusion and disruption. Much of BPA's work aligns with the outdoor construction season in the Pacific Northwest. This construction season generally occurs in April through October although the season is sometimes longer. In order to take advantage of weather, BPA's traditional performance period aligns with the off cycle of construction. The Order also prohibits, in section 4d(5)(a)1, the award of a Quality Step Increase and Within Grade Increase in the same rating cycle. BPA employees had not previously been subject to that prohibition, and the prohibition is not founded in Federal personnel law or government-wide regulation. Through the Order review process as part of the "Get Well" plan, DOE's Office of Human Capital Management concurred with exempting these two provisions with the establishment of BPA HR Directive 007 as an equivalent guidance document. However, instead of exempting section 4d(5)(a)1, all of section 4d should be exempt. Section 4d, *Performance Awards*, provides for a "share value" system for determining annual performance awards. BPA uses a "percentage of salary" system for determining awards. While both methods are based on establishing pay pools, there is a considerable difference between the two calculation methods. Changing the method would require unnecessary confusion and disruption in union negotiating, supervisory training, and change management activities with very little, if any, return for the time investment. BPA HR Directive 008 provides a statutorily compliant equivalency.

RECOMMENDATION: Recommend that you approve this equivalency document.

Elliot E. Mainzer, Administrator and Chief Executive Officer, Bonneville Power Administration

APPROVE:  DISAPPROVE: _____ DATE: 1/26/16

CONCURRENCES/ CONSULTATIONS: Rita Clinton
Director, Office of Human Capital Policy, Accountability and Technology

cc:

Janet Herrin

Senior Advisor, Power Marketing Administration, Department of Energy