



Department of Energy

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

EXECUTIVE OFFICE

OCT 28 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

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

FROM: NANCY MITMAN *Nancy M. Mitman*
CHIEF FINANCIAL OFFICER, BONNEVILLE POWER ADMINISTRATION

SUBJECT: DIRECTIVES EXEMPTION APPROVAL MEMORANDUM

PURPOSE: To document BPA's exemption from DOE Order 135.1A, Funds Distribution and Control.

BACKGROUND: BPA is explicitly excluded from this order in Section 3.c.

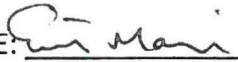
BPA is exempt from this order as it conflicts with the Administrator's statutory authority to determine the character and necessity of its financial obligations and expenditures (which are based upon self-financed direct spending authority) and the manner in which they are incurred, allowed, and paid, subject to the restrictions applicable to government corporations under the Government Corporation Control Act.

JUSTIFICATION: BPA's exemption from DOE Order 135.1A is based on BPA's unique self-funding fiduciary responsibility for the Federal Columbia River Power System. The Administrator operates BPA from BPA's permanent self-financed, revolving fund established in the Federal Columbia River Transmission System Act of 1974 (Transmission Act). The purpose of this act was, among other things, to enable BPA to handle its fiscal affairs in a businesslike manner,

subject only to the constraints of the Government Corporation Control Act. BPA is self financed, collects its own revenue and receipts, and does not receive taxpayer funds. The Transmission Act, other BPA organic statutes, and the Government Corporation Control Act set statutory restrictions on the Administrator's use of those funds. BPA will continue to support and collaborate with the Department to ensure the DOE CFO is effectively carrying out DOE's mission.

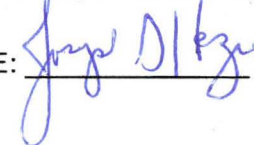
RECOMMENDATION: Recommend that you approve this exemption document.

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

APPROVE:  DISAPPROVE: _____ DATE: 10/28/15

CONCURRENCES:

Joseph S. Hezir, Chief Financial Officer, Department of Energy

APPROVE:  DISAPPROVE: _____ DATE: 11/3/2015

cc:

Skila Harris

Senior Advisor, Power Marketing Administration, Department of Energy