



## 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 *Tom 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 523.1, Financial Management Oversight.

**BACKGROUND:** BPA is exempt from DOE Order 523.1 due to specific legislation governing BPA's activities including purchasing and financial management and reporting for the Federal Columbia River Power System. This memorandum documents the exemption until it is incorporated in the next revised order or BPA coverage is specifically identified.

**JUSTIFICATION:** BPA's exemption from DOE Order 523.1 is based on BPA's independent financial management oversight obligations under its organic statutes and other Congressional legislation. Most notably, the Transmission System Act states that BPA is subject to the Government Corporations Control Act (GCCA). The GCCA subjects BPA to robust financial management oversight requirements including independent audits and separate FMFIA attestations. BPA will continue to support and collaborate with the Department on matters relating to effective financial management, including with respect to financial reporting.

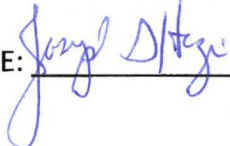
**RECOMMENDATION:** Recommend that you approve this exemption document.

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