

INDIAN AFFAIRS MANUAL

1.1 Purpose. This chapter identifies authorities and establishes policies and responsibilities for the management, administration, construction, operation, maintenance, and rehabilitation of Bureau of Indian Affairs (BIA)-owned electric power utilities.

1.2 Scope. This policy applies to Indian Affairs (IA) employees and delegated officials responsible for BIA-owned electric power utilities. This policy may also apply to entities carrying out activities on behalf of BIA under contracts or other agreements if expressly agreed to in the contracts or agreements, or if the requirement to abide by such policy is otherwise required by law. These entities may include contractors or Tribes operating through contracts issued pursuant to Public Law (P.L.) 93-638.

Compact Tribes are not required to abide by the terms of this policy. Compliance is dependent upon specific compact language. However, compact Tribes are encouraged to use IA policy as guidance.

1.3 Policy. It is the policy of IA to deliver electric power utility services to customers serviced by BIA-owned electric power utilities, and to construct, operate, maintain, and rehabilitate these power utilities in accordance with applicable technical and safety standards.

1.4 Authority.

A. Statutes and Regulations.

- 1) P.L. 93-638, Indian Self-Determination and Education Assistance Act of 1975
- 2) P.L. 98-146, Fiscal Year 1984 Department of the Interior and Related Agencies Appropriation Act (97 Stat. 919, 929)
- 3) P.L. 104-134, Debt Collection Improvement Act of 1996 (110 Stat. 1321–358)
- 4) 5 U.S.C. § 301, Departmental regulations
- 5) 25 U.S.C. § 13, Expenditure of appropriations by Bureau (Snyder Act)
- 6) 25 U.S.C. § 385c, Appropriation and Disposition of Power Revenues
- 7) 31 U.S.C. § 3717, Interest and penalty on claims
- 8) 25 CFR 175, Indian Electric Power Utilities
- 9) 31 CFR Chapter IX, Federal Claims Collection Standards

INDIAN AFFAIRS MANUAL

B. Guidance.

- 1) Executive Order No. 13175, *Consultation and Coordination with Indian Tribal Governments*, Nov. 6, 2000
- 2) 205 Departmental Manual (DM) 7, Claims by the United States for Money or Property
- 3) 210 DM 8, Office of the Assistant Secretary – Indian Affairs
- 4) Utility Operations Manuals, which describe guidance and operating criteria that is unique or specific to each BIA-owned electric power utility. Documentation is available from each individual utility.

1.5 Responsibilities.

- A. Assistant Secretary - Indian Affairs (AS-IA)** is responsible for signing new regulations and Federal Register Notices of rate setting.
- B. Deputy Assistant Secretary – Indian Affairs (Management) (DAS-M)** is responsible for approving debt adjustment or cancellation and administrative termination and discharge of collection activities, and for coordinating these activities with the Electric Power Utility Managers as they relate to BIA-owned electric power utilities.
- C. Chief Financial Officer** is responsible for the management of IA’s debt management program and for monitoring adherence to debt management policies and procedures, including debt activities related to BIA-owned electric power utilities.
- D. Director, BIA** is responsible for:
 - 1) concurring on Federal Register Notices of rate setting and forwarding notices to the AS-IA; and
 - 2) establishing policies, procedures, requirements, and technical standards for management of BIA-owned electric power utilities.
- E. Deputy Bureau Director (DBD), Field Operations** is responsible for implementing policies, procedures, requirements, and technical standards for management of BIA-owned electric power utilities.

INDIAN AFFAIRS MANUAL

F. DBD, Office of Trust Services (OTS) is responsible for:

- 1) developing policies, procedures, requirements, and technical standards for management of BIA-owned electric power utilities; and
- 2) approving funding documents for BIA-owned electric power utilities.

G. Chief, Division of Water and Power (DWP) is responsible for providing oversight of Branch of Irrigation and Power activities.

H. Chief, Branch of Irrigation and Power is responsible for:

- 1) serving as a liaison with other federal, state, local, and Tribal governments regarding the BIA-owned electric power utility program;
- 2) conducting periodic program reviews to evaluate and determine the effectiveness of BIA-owned electric power utility administration, revenue management, operations and maintenance, and to identify operational and financial risks; and
- 3) providing technical assistance to BIA-owned electric power utilities.

I. Regional Directors are responsible for:

- 1) advising the DBD, Field Operations of issues affecting BIA-owned electrical power utilities within the region;
- 2) recommending service fees and electric power rates, and when adjustments are proposed, providing the fee structure to the Director, BIA for review, through the Branch of Irrigation and Power, DWP, OTS;
- 3) designating, in writing, an electric power utility manager for each BIA-owned electric power utility;
- 4) providing leadership, management advice, and assistance to BIA-owned electric power utilities within the region's jurisdiction; and
- 5) evaluating and determining the effectiveness of BIA-owned electric power utility operations and maintenance, compliance with industry standards, and proper use of funds.

INDIAN AFFAIRS MANUAL

J. Supervisors to Electric Power Utility Managers (Superintendents/Deputy Superintendents/Project Managers, as determined by the utility's line authority) that have BIA-owned electric power utilities in their line authority are responsible for:

- 1) advising the Regional Director of issues affecting electrical power utilities within the BIA Agency;
- 2) reviewing and recommending service fees and electric power rates, and when adjustments are proposed, providing the fee structure to the Regional Director for review;
- 3) reviewing and submitting the annual electric power utility budget to the Regional Director; and
- 4) ensuring that activities comply with U.S. Treasury requirements (where the power utility's finance functions are in the line of authority).

K. Electric Power Utility Managers are responsible for:

- 1) advising the Supervisor or Regional Director (as determined by the utility's line authority) of issues affecting the BIA-owned electric power utility;
- 2) providing management, administration, operation, maintenance, rehabilitation, and construction of BIA-owned electric power utilities in compliance with applicable federal regulations and industry standards, including remote operational control, as needed;
- 3) developing contingency plans for anticipated events or emergencies that might interrupt the delivery of electric power service to our customers;
- 4) evaluating the effectiveness of the electric power utility operation and program, anticipating evolving conditions, and striving to ensure continued, sustainable utility operations;
- 5) compiling and maintaining utility monitoring reports to establish a historical record of electric power utility operations;
- 6) training utility staff in utility operations and other applicable federal requirements and industry standards;
- 7) determining utility financial requirements and recommending power rates and service fees to the Supervisor or Regional Director (as determined by the utility's

INDIAN AFFAIRS MANUAL

- line authority) for review;
- 8) depositing collections promptly to maximize earnings;
 - 9) updating the applicable Utility Operations Manual, consistent with 25 CFR 175;
 - 10) receiving requests for electric power service and maintaining permanent records of electric power services provided;
 - 11) determining rehabilitation and construction requirements of utility facilities;
 - 12) contracting or transferring the operation, maintenance, construction, and/or other project responsibilities to others pursuant to appropriate requests and when authorized by regulation, valid contract, or other valid applicable agreement;
 - 13) ensuring that activities comply with U.S. Treasury requirements (where the power utility's finance functions are in the line of authority);
 - 14) utilizing the Electric Utility Management System (EUMS) to process bills for monthly electrical power usage and collections for the utility and maintaining a system of record for payments and collections;
 - 15) preparing and justifying proposals for debt adjustment or cancellation, and the administrative termination and discharge of collection activities for BIA-owned electric power utility assessments, and referring those proposals to the Chief Financial Officer;
 - 16) developing and monitoring the annual operation, maintenance, and rehabilitation budget for the project;
 - 17) developing and submitting an annual work plan and submitting accomplishments to the Supervisor or Regional Director (as determined by the utility's line authority);
 - 18) establishing and maintaining minimum staffing requirements for the BIA-owned electrical power utility; and
 - 19) ensuring the electric power utility meets technical standards and safety requirements.

1.6 Standards, Requirements, and Procedures.

A. BIA-owned electric power utilities:

INDIAN AFFAIRS MANUAL

Part 50
Chapter 2

Irrigation and Power
Electric Power Utilities

Page 6

- 1) provide opportunities for customer and Tribal participation in matters that impact power operations;
- 2) recover the cost of management, administration, operation, maintenance, and rehabilitation of BIA-owned electric power utilities by charging applicable market rates for electric power consumption;
- 3) recover the cost of construction projects on BIA-owned electric power utilities where reimbursement is required and where not deferred or identified as non-reimbursable;
- 4) ensure that funds collected for each BIA-owned electric power utility are added to its appropriate account and used for authorized purposes;
- 5) ensure BIA-owned power utility requirements are included in power grid management; and
- 6) maintain reserve funds consistent with 25 CFR 175, Indian Electric Power Utilities.

Approval



Darryl LaCounte
Director, Bureau of Indian Affairs

9-16-2019

Date