

BPA Bulk Hub Purchase Notification for Service at Tier 2 Rates

In late May 2010, BPA's Bulk Hub made a third purchase to serve part of our Regional Dialogue Tier 2 load. This third purchase was a 12-month flat block market purchase of 25 MW and was made to serve the final piece of our 2013 Tier 2 Rate service obligation. The price paid for this power was between \$44 & \$49/MWhr. The actual purchase cost of the power purchased will be part of the costs used to develop Tier 2 Rates in the upcoming BPA rate case. Consistent with Federal Energy Regulatory Commission requirements, while also honoring Western Systems Power Pool confidentiality requirements with counterparties, the exact purchase price amounts will not be released until 30 days after the end of each quarter.

Recall that on November 1, 2009, BPA's customers made their above-Rate-Period High Water Mark load service elections. The above purchase is one of several that BPA will make to serve these load obligations for the 2012-2014 Tier 2 Rate purchase period. This purchase will be used to serve both our Short-Term and Load Growth Tier 2 Rate service obligations for this period. Purchase amounts include additional energy to cover losses for deliveries to our customers through the Federal System.