



## Department of Energy

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

POWER BUSINESS LINE

December 3, 2003

In reply refer to: KDP-4

Mr. Tom Detzel  
Newhouse News Service  
11-1 Connecticut Ave. N.W., Suite 300  
Washington, DC 20036

Re: FOIA Request No. 04-003

Dear Mr. Detzel:

On October 24, 2003, you submitted a Freedom of Information Act (FOIA) request, designated as No. 04-003, in which you requested from the Bonneville Power Administration (BPA) "copies of all memoranda, correspondence, notes, e-mails, spreadsheets and other records related to BPA contracts with PacifiCorp and Puget Sound Energy number 01PB-10854 and 01PB-10885, known as Amended Settlement Agreements, which agreed to provide a combined \$200 million in risk reduction discounts to the utilities..." and "information on the genesis of BPA's decision in 2001 to guarantee \$200 million in reduction of risk benefits to Puget Sound Energy and PacifiCorp."

BPA is hereby providing all records in its possession responsive to the above request, including:

1. Copies of (a) PacifiCorp's Financial Settlement Agreement, BPA contract number 01PB-10854, and (b) Puget Sound Energy's Amended Settlement Agreement, BPA contract number 01PB-10885 including Exhibit A, BPA contract number 01PB-10886 (Firm Power Block Power Sales Agreement).
2. A draft settlement agreement as annotated by attorneys for PacifiCorp, dated April 30, 2001.
3. An e-mail transmittal dated May 1, 2001, and an attached two-page draft of a proposed amendment to PacifiCorp's then effective Settlement Agreement, BPA contract number 01PB-12229.
4. An e-mail transmittal of "clean" and red-lined versions of a proposed cash settlement agreement, including a distribution within BPA.
5. A three page document entitled "Underlying Principles of a Financial Settlement of PacifiCorp's October 31, 2000, Settlement Agreement".
6. Financial Settlement Agreement and Amendment to Residential Exchange Program Settlement Agreement with PacifiCorp, Record of Decision, May 23, 2001.

7. An internal BPA transmittal of electronic versions of BPA agreements with PacifiCorp, contract numbers 01PB-10854 and 01PB-12229, dated May 24, 2001.
8. Three BPA e-mails dated May 29, 2001, whose subject is net requirements data for BPA's block sale agreement with Puget Sound Energy, BPA contract number 01PB-10886, itself an exhibit to BPA's contract number 01PB-10885 with Puget Sound Energy.
9. One BPA e-mail dated May 29, 2001, which transmitted the same net requirements subject matter within BPA and to Puget Sound Energy.
10. Three BPA e-mails sharing internal drafts of BPA contract numbers 01PB-10885 (Amended Settlement Agreement) and 01PB-10886 (Firm Power Block Power Sales Agreement, Exhibit A to BPA contract number 01PB-10885). The counterparty to both is Puget Sound Energy.
11. One BPA e-mail dated May 30, 2001, which transmitted updated net requirements subject matter within BPA and to Puget Sound Energy.
12. One e-mail discussing the merits of data placement within and wording of the net requirements exhibit, contract number 01PB-10886, dated May 31, 2001.
13. An e-mail noting a text insert into tables within the net requirements exhibit of contract 01PB-10886, dated June 1, 2001.
14. An e-mail with a revised net requirements exhibit, contract 01PB-10886, dated June 1, 2001.
15. An electronic transmittal of a revised net requirements exhibit for contract 01PB-10886 dated June 1, 2001.
16. A June 1, 2001, transmittal from BPA to Puget Sound Energy of drafts of the amended settlement agreement and block sale agreements.
17. June 4, 2001, transmittal of red-lined and clean versions of the Amended Settlement Agreement and Block Sale agreements from BPA to Puget Sound Energy.
18. June 4, 2001, comments from Puget Sound Energy on data in the net requirements exhibit to the Block sale.
19. A comparison of the PacifiCorp and Puget settlement agreements, shared with (a, c) Puget Sound Energy and (b,d) the Washington Utilities and Transportation Commission (WUTC), dated June 5, 2001.
20. A BPA e-mail about the WUTC approval of the settlement between BPA and Puget Sound Energy, dated June 5, 2001.
21. Amended Residential Exchange Program Settlement Agreement with Puget Sound Energy, Record of Decision, June 6, 2001.
22. BPA e-mail transmittal of Amended Settlement Agreement with Puget Sound Energy dated June 8, 2001.

The foregoing documents concern the genesis of the agreements containing the \$200 million litigation contingency, which concluded with the signing of Puget Sound Energy's agreement on June 11, 2001.

BPA has no other documents responsive to this request.

If dissatisfied with this determination, you may make an appeal within thirty (30) days of receipt of this letter to Director, Office of Hearings and Appeals, Department of Energy, 1000 Independence Avenue SW, Washington, D.C. 20585. Both the envelope and the letter must be clearly marked "Freedom of Information Act Appeal".

If you have any questions regarding this response, you may contact me at 503-230-5110.

Sincerely,

A handwritten signature in black ink that reads "Gary C. Ansley for". The signature is written in a cursive style and is positioned above the typed name of the signatory.

Annie Eissler  
Freedom of Information Act Officer

Enclosures: Multiple