



1100 North Tower Ave.
Centralia, WA 98531-5044
January 16, 2009

Mark O. Gendron, Vice President
Northwest Requirements Marketing
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

Re: Correction to City of Centralia's Attachment C to Tiered Rate Methodology

Dear Sir:

It has come to our attention that Pend Oreille PUD has requested a revision to their Attachment C Existing Resource Amount. They say that the figure is 7.7 aMW too high for the output of their Box Canyon Project as it fails to take into account critical water and was instead calculated based on average water.

The City of Centralia is completely sympathetic to this request. We have the same problem. The Existing Resource Amount in Attachment C for our Yelm Hydroelectric Project is currently 7.835 aMW. This is a 12 MW nameplate project and our calculations of the critical water output, as reflected in Exhibit A to our Regional Dialogue contract, conclude the correct figure should be 7.109 aMW. These calculations were vetted with the BPA hydro analysis group and represent a consensus of the critical water output rating of the plant.

As a percentage of nameplate, and assuming Box Canyon is a 60 MW plant, the error in the case of Pend Oreille is about 13%. In the case of Centralia's Yelm plant, the error is about 6%, based on its 12 MW nameplate rating.

We respectfully request that the City of Centralia be given equal consideration in adjustment of the Attachment C Existing Resource Amount as may be given to Pend Oreille or any other utility requesting correction of this critical figure.

Sincerely,

Harry E. (Ed) Williams
General Manager
Centralia City Light Department

Cc/ R. Kirsten Watts, Account Executive