## **Department of Energy**



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

POWER SERVICES

September 17, 2008

In reply refer to: PS-6

To Parties Interested in the Long-Term Regional Dialogue:

On June 6, 2008, BPA sent a letter to interested parties regarding BPA's proposal to correct identified inaccuracies in the Subscription power sales contracts Exhibit C Fiscal Year (FY) 2010 resource numbers for its existing public agency customers. BPA enclosed several customer-specific proposed clarifications and corrections to the FY 2010 Existing Resources amounts that will be used in Contract High Water Mark (CHWM) calculations. BPA invited public comment on the proposed corrections prior to finalizing the numbers on specific customer resources that will be used for CHWM determination purposes. The proposal laid out a set of criterion to correct the identified inaccuracies in the Exhibit C FY 2010 resource numbers. These clarifications and associated resource adjustments are limited to CHWM determination purposes only.

BPA also included a table of all resources and associated amounts for use in CHWM determinations, exclusive of dedicated consumer-owned or Public Utility Regulatory Policies Act (PURPA) resource amounts that will not be known until Regional Dialogue contracts are signed. This table reflected both the unadjusted resource numbers and the proposed adjusted resource numbers.

Opportunity to submit comment on BPA's proposal ended on June 27, 2008. BPA received a total of 31 comments. These comments are available at <a href="http://www.bpa.gov/applications/publiccomments/CommentList.aspx?ID=35">http://www.bpa.gov/applications/publiccomments/CommentList.aspx?ID=35</a>.

In addition, on June 16, 2008, BPA sent another letter to interested parties informing them of Grays Harbor PUD's proposed purchase and use of the Weyerhauser Pulp Mill Cosmopolis cogeneration resource in Grays Harbor County, Washington, and asking for public comments. The public comment period ended on June 20, 2008. BPA received a total of 7 comments as a result of the letter.

Following review and consideration of all comments received, BPA is publishing a close-out summary, including a table of the final resource amounts to be used in customers' CHWM calculations, which is enclosed. This table also will be included as an attachment to the final Tiered Rate Methodology.

The Close-Out Summary: Clarification on the Use of Customer Resource Amounts for High Water Mark Calculations and table of final resource amounts is available on BPA's Web site at

http://www.bpa.gov/power/pl/regionaldialogue/implementation/documents/. The Close-Out Summary provides additional information on how the final resource amounts were determined.

BPA appreciates all comments received. If you have any questions, please contact your Power Account Executive.

Sincerely,

/s/ Mark O. Gendron

Mark O. Gendron Vice President Northwest Requirements Marketing

Enclosure:

Close-Out Summary: Clarification on the Use of Customer Resource Amounts for High Water Mark Calculations