

Dear Customers,

About a year ago, we started the development of the Northwest Efficiency Depot (NED) -- BPA's long-term energy efficiency reporting system. Since NED's beginning, we have consistently maintained we would not release the system until we were sure it was ready. Recently, to ensure the project was on a path to deliver the level of quality we expect, we conducted a systematic technical assessment of the project. During this process we identified several areas of concern; some significant enough that we believe we need to undertake a course correction on the project.

We are currently working internally to establish a plan to build on what we've completed to date and to address the issues we identified so that we can deliver a quality system as quickly as possible. We will also continue our commitment to work with the established Utility Engagement Team to maintain the utility perspective as we proceed. Right now we don't have a lot of detail on our next steps or any projected timelines. As we work through them, we will keep you posted with communications from your EER. You can also expect more detail in our weekly announcements in the coming weeks.

In the interim, we will continue to use IS 2.0 for reporting and invoicing purposes. IS2.0 will be in place and fully supported through the end of the current rate period and until NED has successfully launched.

For many of you this may bring back memories of EE Central. I can understand that. While this is a setback, it holds with our commitment to use the lessons we learned from EE Central and not launch an immature product just to hit a deadline or before it is ready. Our commitment is to quality. This is also part of our effort to push ourselves to proactively assess readiness, even when it means making a hard call to get things right.

We would like to thank all of you who have provided support in the development of NED thus far and look forward to that continued collaboration. We will continue to work hand in hand with you to ensure that the system will meet your needs.

Again, please look for more information next week in the weekly announcements. As always, your EER is available to you should you have any questions or concerns.

Sincerely,



Richard Génece
Vice President of Energy Efficiency
Bonneville Power Administration

