



CONSUMERS POWER INC.

February 10, 2014

Elliot Mainzer, Administrator
Bonneville Power Administration
Via email: techforum@bpa.gov

Dear Administrator Mainzer:

Thank you for the opportunity to participate in the Bonneville Power Administration transmission segmentation policy discussion. This issue is one of great importance to Consumers Power, Inc. as five of our 13 BPA delivery points fall into the Utility Delivery segment.

CPI and BPA have met many times over the past several years to find a reasonable way for CPI to take ownership of these facilities. Despite earlier success we have been unable to overcome the unique obstacles intrinsic to these remaining five stations. The time has come for them to be accepted as an integral part of BPA's transmission system. Assigning the cost of these legacy stations directly to CPI would be grossly unfair to our member-owners and would violate the cooperative principles under which the facilities were originally constructed.

We also strongly object to any attempt to raise the Integrated Network definition above 34.5 kV. We urge you to continue to support BPA's long-established transmission service under segmentation rules that roll in the Utility Delivery facilities to the Integrated Network segment, do not raise the bright-line test for Integrated Network segment, and price the Integrated Network segment at postage-stamp rates. These are time-tested, sound business policies that enable our respective businesses to cooperatively deliver the tremendous economic benefits of the federal hydro system to as wide an audience as possible.

Thank you for personally presiding over the transmission segmentation kick-off meeting on January 28th and we urge you to remain involved in this important policy discussion.

Sincerely,

Roman E. Gillen
President/CEO

cc: John Prescott, PNGC Power

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