



Department of Energy

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

POWER SERVICES

April 13, 2009

In reply refer to: PFE-6

To the FY 2009 & FY 2010-2011 ASC Review Process Parties and Intervenors:

On October 1, 2008, the Bonneville Power Administration (BPA) initiated the FY 2009 and FY 2010-2011 Average System Cost (ASC) Review Processes to determine the Average System Costs (ASCs) for utilities in the respective rate periods.

Pursuant to the Average System Cost Methodology (ASCM), BPA is now publishing the Draft FY 2009 and the Draft FY 2010-2011 ASC Reports for review and comment. These reports contain analyses and decisions on issues raised in the Review Processes, as well as the initial ASC determinations.

How to Comment

BPA is requesting your comments on the Draft FY 2009 and Draft FY 2010-2011 ASC Reports described in this letter. The reports and supporting documentation can be found at <http://www.bpa.gov/corporate/finance/ascm/fy09-asc-draft-reports.cfm> (for the FY 2009 Draft Reports) and <http://www.bpa.gov/corporate/finance/ascm/fy10-11-asc-draft-reports.cfm> (for the FY 20--10-2011 Draft Reports).

Only parties that intervened in a utility's ASC Review Process should submit comments on the utility's draft ASC report. BPA will not consider comments submitted by parties that failed to receive intervention status in the utility's associated ASC review process. If the filing utility or an intervenor wishes to preserve any issue regarding BPA's ASC Reports for subsequent administrative or judicial appeal, they must raise such issue in their comments on BPA's Draft ASC Reports. If a party fails to do so, the issue will be waived for subsequent appeal.

Comments on these reports must be received by 5:00 p.m., Pacific Standard Time, on May 11, 2009. Comments can be submitted via e-mail to BPAAverageSystemCost@bpa.gov; via mail to: Bonneville Power Administration, Residential Exchange Program – PFE-6, P.O. Box 3621, Portland, OR 97208-3621; or faxed to 503-230-5504. Please reference the docket numbers associated with the draft reports in your comments.

Request for Oral Argument

BPA's ASC Review procedures provide parties with an opportunity to request Oral Argument before the BPA Administrator (or his/her designee) to further explain parties' positions on issues relating to the establishment of ASCs. Pursuant to the 2008 ASC Methodology, BPA may grant or deny requests for Oral Argument at its discretion. Because there is no right to Oral Argument,

Oral Argument should only be requested for issues with *significant* impact on ASC. In the event parties request Oral Argument and BPA grants such requests, BPA will be holding Oral Argument for FY 2009 and FY 2010-2011 issues on the same day (see schedule below).

Schedule:

April 22, 2009	Deadline to request Oral Argument (FY 2009 and FY 2010-2011)
April 24, 2009	Deadline for BPA to grant/deny Oral Argument
May 5, 2009	Oral Argument

Process:

For parties wishing to request Oral Argument for the FY 2009/FY 2010-2011 ASC Reviews, please email the ASCM mailbox at BPAAverageSystemCost@bpa.gov with the following information:

1. Name of requesting party
2. Identify the appropriate ASC Review Process (i.e., name of utility and FY 2009 or FY 2010-2011)
3. Statement of specific issue(s) party wishes to address at Oral Argument
4. Estimated time needed for Oral Argument
5. Name of person(s) to speak at Oral Argument

If parties do not wish to request an initial Oral Argument but wish to present Oral Argument only in response to others' Oral Arguments, they should file a request for Oral Argument with the information above (as applicable) and note they only intend to respond to others' Oral Arguments. If BPA receives only requests to respond to others' Oral Arguments in any docket, BPA will not conduct Oral Argument.

If you have any questions regarding a particular report, or any other questions related to the procedures or schedule described above, please feel free to contact the utility's ASC analyst or myself at 503.230.3555.

Sincerely,

/s/ Tina G. Ko

Manager, Residential Exchange Program