



Oregon

Theodore R. Kulongoski, Governor

January 28, 2008

Public Utility Commission

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Re: Network Open Season Integrated Planning

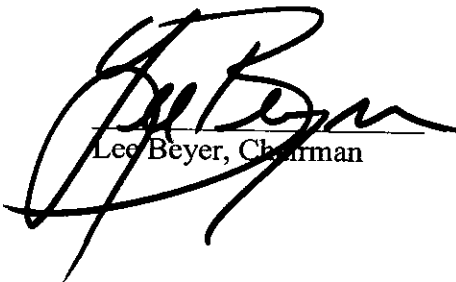
The Oregon Public Utility Commission appreciates the opportunity to comment on the proposal of the Bonneville Power Administration (BPA) to revise the process of granting transmission service requests and to fund new transmission lines. Although the proposal is not in final form, the Oregon Commission supports the conceptual framework of the proposal.


The Oregon Commission believes transmission system expansion will further the economic benefits of safe and reliable power delivery in the region. Therefore, we support the efforts of Bonneville and others to clear the burgeoning service request queue and speed up the processing of viable projects in accordance with the requirements of Federal Energy Regulatory Commission Order No. 890 and Order No. 890-A.

The Network Open Season process provides a window of opportunity for transmission customers to submit service requests. A Precedent Agreement that obligates the customer to fund its share of the cluster study and pay a security deposit for the requested transmission service should help limit those requests to timely and viable projects. The cluster studies should clear the queue, lead to efficient solutions, and speed the start of construction.

We also support BPA's proposed approach for new transmission projects. The proposed approach would quantify the benefits that would accrue to all transmission users and charge them accordingly. By incorporating those benefits, it reduces the subscription level of new lines needed to satisfy transmission service requests from the queue and allows the upgrades to be funded at embedded cost rather than incremental cost. The additional capability will allow for load growth, future interconnections, and markets of short-term products such as economy energy to widen and deepen. Retail customers would benefit from these developments.

Again, the Oregon Commission supports the proposed filing on a conceptual level.


Lee Beyer, Chairman


Ray Baum, Commissioner


John Savage, Commissioner