



July 30, 2007

Steven J. Wright
BPA Administrator and Chief Executive Officer
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

Dear Mr. Wright:

I am concerned about the Residential Exchange benefit issue and its effects on all of the residents of Milwaukie. In the wake of the 9th Circuit Court decisions, our residents saw a 13% increase in their electric costs. As 75% of the residents in Oregon are served by investor-owned utilities, this additional financial burden has been experienced by residents all across the state. It is a significant matter to thousands and thousands of Oregon families.

Whether northwest residents are served by a public utility or an investor-owned utility, all of them should share in the benefits of the federal Columbia River power system. BPA provides tremendous value to public utilities and their customers through the sale of low-cost power. The Residential Exchange benefits provided to the residents of Milwaukie - and other residences and small farms served by investor owned utilities - were already a small share of the benefits the system produces in the region. I hope those benefits will not be further reduced.

I urge you to restore the Residential Exchange credit promptly. All of the citizens of my city are entitled to a fair resolution that ensures benefits from the regional system are as equitable as possible.

Respectfully,

A handwritten signature in black ink, appearing to read "James Bernard", written in a cursive style.

James Bernard
Mayor
City of Milwaukie

MILWAUKIE CITY HALL
10722 SE MAIN STREET
MILWAUKIE, OREGON 97222
PHONE: (503) 786-7555 • FAX: (503) 652-4433