





PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY

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September 25, 2006

Mr. Steve Wright Administrator Bonneville Power Administration Post Office Box 3621 Portland, OR 97208-3621

Re: Long-Term Regional Dialogue Policy Proposal

Dear Mr. Wright

We commend the Bonneville Power Administration for their diligent work with stakeholders to define BPA's future role to serve the regional power needs post-2011. Chelan PUD thanks BPA for the opportunity to provide comments on the Long Term Regional Dialogue Proposal. Chelan PUD generally supports the comments submitted by both the Public Power Council and the Washington PUD Association.

It is our desire to comment on one area where we differ in our views from these trade associations. Chelan PUD believes that service to Direct Service Industrial customers (DSIs) should be considered when creating contracts post-2011. DSIs provide notable economic value to our communities especially in the form of family-wage jobs. Alcoa has been a part of our community for many years and Chelan PUD continues to have a positive experience working with them. We have seen first hand the economic benefit that Alcoa and its employees provide to Chelan County as an active component of the local community.

Chelan PUD acknowledges that BPA has to consider many competing interests in its allocation of power for the future. We support BPA in the endeavor to reach a fair settlement to this important issue for the region.

Sincerely,

Richard Riazzi General Manager