

REG-073



Idaho County Light & Power Cooperative Association, Inc

October 23, 2006

Steve Wright, Administrator
Bonneville Power Administration
PO Box 14428
Portland, Oregon 97293-4428

Re: Idaho County Light & Power Cooperative's
Comments on Regional Dialogue

Dear Mr. Wright:

Thank you for the opportunity to comment on BPA's Long Term Regional Dialogue Policy Proposal ("Proposal"). I am writing today to underscore some very important issues to my utility, Idaho County Light & Power Cooperative (ICLP). As you know ICLP serves approximately 3,400 members in North Central Idaho. As a full requirements customer of Bonneville, we are vitally interested in the proposed allocation methodology.

I want you to know that ICLP's Board of Directors and staff support the general concept of allocation and many aspects of the BPA proposal. The cooperative is participating with other entities in drafting comprehensive comments which are being filed separately. However, there are two issues within the Regional Dialogue proposal that our Board of Directors feel are particularly important to our future viability and for which we would like to comment on.

First, ICLP takes service from Bonneville via a General Transfer Agreement that BPA has with Avista Corp. One of the guiding principals of GTA service has always been that such service be comparable to the service provided by BPA to its directly connected customers. If it is BPA's policy to remain faithful to that concept, it is critical that BPA assume the obligation to wheel Tier 2 non-federal power through its transmission agreements with transferring utilities in order to serve GTA dependent utilities' native load. Unfortunately, the Proposal, as currently written, will not accommodate our access to regional power markets other than BPA. This is contrary to the policy guideline in the Regional Dialogue which provides that "BPA should not use transfer service as a leverage to induce customers to buy Tier 2 power from BPA".

Additionally, as a member of the Idaho Energy Authority (IDEA) and participant in the joint transmission contract between IDEA and BPA, we would appreciate your reconsideration on allowing "pooling" of allocated high water marks among qualifying BPA customers. We disagree that pooling would create

regional conflict. We believe it would do exactly the opposite and further, we believe that pooling would prove to benefit the region through more efficient use of BPA's limited resources by its customers involved in joint operating entities.

Again, thank you for this opportunity to comment and for your consideration. I would be happy to respond to any questions you or your staff may have.

Sincerely,



Jake Eimers
General Manager