



Department of Energy

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

FINANCE

March 20, 2008

In reply refer to: F-2

Dear Residential Exchange Participants:

Subject: Protection of Confidential and Proprietary Information Submitted by an Exchanging Utility during the Average System Cost Expedited Review Process

During the Average System Cost (ASC) expedited review process, an exchanging utility may propose that the Bonneville Power Administration (BPA) consider certain information in the utility's ASC filing, or information provided in response to data requests, as confidential and proprietary. The purpose of the attached procedures is to assure that confidential information is properly segregated from other materials submitted by the utility. The use of these procedures will permit BPA to identify confidential documents when submitted and allow BPA to continue its internal safeguards to ensure there is no inadvertent disclosure of confidential information.

All materials that an exchanging utility maintains are confidential and proprietary must be submitted in accordance with the enclosed "Guidelines for Submitting Confidential and Proprietary Information in BPA Average System Cost Filing Reviews" (Guidelines) in order to be afforded confidential treatment.

BPA will instruct its employees or designees that confidential information properly submitted by the exchanging utility will be used solely for the purpose of resolving outstanding issues in current or future ASC filings. BPA will also instruct its employees or designees to treat as confidential or proprietary all information made available to them in connection with the exchanging utility's ASC filing which is submitted according to the Guidelines.

In the case of requests made under the Freedom of Information Act or the Federal Rules of Civil Procedure, BPA will promptly inform the exchanging utility of any request for disclosure of confidential or proprietary information submitted in accordance with the Guidelines as part of the exchanging utility's ASC filing. BPA will deny requests for production of the information unless the exchanging utility consents in writing to such disclosure. BPA will invoke all relevant exemptions and exceptions to disclosure of proprietary and confidential information by government agencies and will only release the data if such release is required by the Department of Energy or a court of competent jurisdiction.

These restrictions on disclosure will not prevent BPA employees or designees from analyzing or discussing the information provided by the exchanging utility, provided that employees or designees are first made aware of their obligations to protect confidential and proprietary information. Further, these restrictions will not prevent BPA from making generalizations about

the information provided in any ASC report or Administrator's Record of Decision necessary to support resolution of outstanding ASC or new large single load issues contained in any ASC filing. These restrictions will also not require BPA to resist requests for information made by the executive or legislative branches of the United States government, so long as such information continues to be held confidential.

In the case of requests for information by any party to the ASC review proceeding, the furnishing of confidential or proprietary data may be made contingent on the granting of proper safeguards to prevent unauthorized use or disclosure.

Our records procedures require confidential data to be segregated from all other data contained in the exchanging utility's ASC filing and to retain the documents in accordance with BPA's record retention policies, which is currently 6 years.

Any documents obtained by BPA from secondary sources, other than those received under protective order or confidentiality agreement, will not be treated as confidential, even though submitted by the exchanging utility according to the Guidelines.

If you have any questions on this letter or the enclosed Guidelines, please call me at 503-230-5858 or Kurt Casad at 503-230-4024.

Sincerely,

/s/ Michelle L. Manary

Michelle L. Manary
ASC Manager

Enclosure

Guidelines for Submitting Confidential and Proprietary Information in Bonneville Power Administration Average System Cost Filing Reviews

1. Confidential documents submitted by a utility for average system cost purposes shall be delivered at the same time as the data and supporting documentation for the Appendix 1 filing.
2. Confidential documents submitted by a utility shall be separated from all other information provided to the Bonneville Power Administration (BPA), and shall contain a separate cover letter signed by an authorized utility authority which references the specific dockets and/or issues in connection with which the utility is making the confidential submittal. This cover letter itself shall not be treated as confidential material.
3. Each page of the confidential document must be clearly and conspicuously labeled as “confidential.”
4. Any and all documents or records of any type, obtained by BPA from secondary sources, other than those received under a separate protective order or confidentiality agreement, shall not be considered confidential and proprietary, although submitted by the exchanging utility according to the Guidelines.
5. If a party to the ASC review proceeding requests access to confidential documents, the utility, BPA, and the requesting party, shall work together to put in place measures to preserve the confidentiality of the information. Such measures may include, but are not limited to, providing only aggregated data, masking or redacting specific names of particular generating units or loads, and/or limiting the use or disclosure of the requested data in the ASC review process.