



Department of Energy

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

POWER BUSINESS LINE

November 8, 2005

In reply refer to: PFR-6

To People Interested in BPA's 2007-2009 Power Rate Case:

On Nov. 8, 2005, the Bonneville Power Administration kicked off its 2007 wholesale power rate case with a notice in the Federal Register. Under its initial proposal, BPA's wholesale power rates for the FY 2007-2009 period would average about \$30 a megawatt-hour for priority firm power. The initial proposal is a starting point and subject to a formal legal process. The information made available through this process will inform the BPA administrator when he makes a final rate decision in July 2006. BPA will release its WP-07 initial proposal and supporting documents on November 21, 2005. A copy of the Federal Register notice can be viewed at: www.bpa.gov/power/ratecase.

A rate case is a legal proceeding, and BPA is required to follow a process set out in Section 7(i) of the Northwest Power Act of 1980. The formal 7(i) proceeding will lead to a draft record of decision, which is expected to be released about May 25, 2006. A final ROD, expected to be issued about July 7, will end the formal rate case. The final ROD, along with the complete 7(i) record, will be filed with the Federal Energy Regulatory Commission by Aug. 1 for the Commission's review and approval. Approval from FERC is expected in late September. Rates will go into effect Oct. 1, 2006.

Field Hearings

BPA is hosting field hearings in order for the public to learn more about BPA's initial rate proposal and to provide the public with the opportunity to ask questions and provide comments. The comments we receive at these field hearings are an important part of the record. These hearings are the main opportunity for those not participating in the rate case as an official party to share with us their thoughts and concerns about the initial proposal. The field hearings will be held throughout the region and presided over by the hearing officer conducting the rate case. Each hearing will include a brief summary of the initial proposal and an opportunity to ask questions of BPA representatives and to provide formal comments for the official rate case record. All meetings will begin at 6 p.m. The hearings are scheduled for:

Tuesday, Nov. 29, 2005

Springfield City Hall,
Council Chambers
225 Fifth Street
Springfield, OR 97477
(541) 726-3700

Wednesday, Nov. 30, 2005

West Coast Kalispell Center Hotel
Ballroom A
20 North Main
Kalispell, MT 59901
(406) 751-5058

Thursday, Dec. 1, 2005

Red Lion at the Park,
303 W. North River Drive
Spokane, WA 99201
(509) 328-7361

Monday, Dec. 5, 2005

Red Lion Hotel on the Falls,
475 River Parkway
Idaho Falls, ID 83402
(208) 528-6332

Tuesday, Dec. 6, 2005

Sheraton, Ballroom
1320 Broadway Plaza
Tacoma, WA 98402
(800) 325-3535

Wednesday, Dec. 7, 2005

Doubletree Hotel, Mt. St. Helens room
1000 NE Multnomah St
Portland, OR 97232
(503) 281-6111

How to Comment

If you are unable to attend the public hearing, you may provide written comments on BPA's power rate proposal until **Feb. 13, 2005**. These comments can be made on-line at BPA's Web site: www.bpa.gov/comment, or through the mail at: BPA Communications, DM-7, P.O. Box 14428, Portland OR 97293-4428. Please include the project name "FY 2007-09 Power Rate Case" with your comments.

For more information

For further information about the rate case, please refer to the rate case *Issue Alert: Highlights of BPA's FY 2007-2009 power rate case*, *Backgrounder: The Effect of Risk on BPA Rates*, and *Backgrounder: The fiscal year 2007-2009 rate case process*, available on the BPA Web site: <http://www.bpa.gov/corporate/pubs/>. If you have questions or want more information on this rate case, please call us toll free at (800) 622-4519. Additional information is available at our Web site at: www.bpa.gov/power/ratecase.

Sincerely,

/s/ Elizabeth Evans

Elizabeth Evans
Acting Power Rates Manager