



Department of Energy

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

EXECUTIVE OFFICE

December 27, 2011

In reply refer to: DK-7

To Bonneville Power Administration customers and interested parties:

The Bonneville Power Administration (BPA) is designing its Integrated Program Review (IPR) process for the Fiscal Year 2014-2015 rate period. The IPR is a consolidated discussion of all of the agency's proposed expenses and capital costs. The IPR will begin in the summer of 2012 with a long-term capital investment review beginning in the spring.

We want to make this IPR effective and focused on the strategic issues that drive BPA's programs and revenue requirements. To that end, we will hold a meeting January 31, 2012, to discuss thoughts you want us to keep in mind as we develop the initial spending levels for the formal IPR process. The meeting will be from 10:00 a.m. to 5:00 p.m. in BPA's Rates Hearing Room in Portland. A conference line is available for those wishing to participate by telephone (please dial: (866) 324-4184, then enter access code: 6352333#). Information about the meeting will be posted at www.bpa.gov/corporate/Finance/.

At the meeting, we will focus on the key drivers of rate levels we anticipate for the next rate period. We will begin with a discussion on the economic landscape and then engage you in dialogue about the strategic drivers affecting BPA's rates. It is important to understand that we do not have refined budget estimates at this time and instead are providing you the opportunity to provide input in advance of our development of such estimates. We are taking this approach based on feedback following the IPR for the 2012-13 rates.

We look forward to sharing with you our current state of knowledge about 2014-15 rates and hearing from you about factors we should keep in mind as we develop budget estimates.

I look forward to working with you on these important issues.

Sincerely,

[/s/Stephen J. Wright](#)

Stephen J. Wright
Administrator and Chief Executive Officer