



Department of Energy

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

FINANCE

November 14, 2007

In reply refer to: F-2

To: Parties interested in the updating of BPA's financial plan

The Bonneville Power Administration's Long-Term Regional Dialogue Policy commits BPA to reviewing and updating its existing financial plan. On Monday, Nov. 26, BPA will hold a public workshop from 1 p.m. to 3 p.m. in the BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Oregon, to initiate this review and seek stakeholder input on the scope of the project.

The updated financial plan will provide a foundation of policies and practices that identify long-term financial issues facing BPA, provide strategies that address these issues, and provide sound financial policies that guide BPA's decisions over time. BPA intends to address high-priority issues in an updated financial plan scheduled to be completed by the end of fiscal year 2008, in advance of the deadline for signature of the new Regional Dialogue contracts. It is expected that the resulting financial plan will be built on over time.

At the initial workshop, BPA will outline the priority issues identified to date and take comments from stakeholders about other issues they may want to include in discussions concerning BPA's financial plan. Priority issues include addressing BPA's access to capital, confirming, modifying or augmenting existing financial risk metrics, considering ways to develop revenue requirements that avoid accumulation of cash due to differences between federal amortization and depreciation, and developing approaches to deal with financially good and bad years.

If you would like to participate in the workshop by phone, please call (503) 230-5566, then, any time during or after the message and the double beep, enter 6791#. Please mute your phone by pressing *6. Information regarding the plan will be available on the BPA Web site at http://www.bpa.gov/corporate/Finance/financial_plan/.

We look forward to your participation in this process. If you have any questions or would like additional information, please contact your account executive or Alex Lennox in BPA's finance office at (503) 230-3460.

Sincerely,

/s/ David J. Armstrong *November 14, 2007*

David J. Armstrong
Executive Vice President and
Chief Financial Officer