



Department of Energy

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

POWER BUSINESS LINE

August 24, 2006

In reply refer to: PT-5

To parties interested in BPA service to direct-service industries:

Bonneville Power Administration (BPA) will hold a public meeting September 8, 2006, to discuss the pros and cons of the various options for service to direct-service industries (DSIs) in the Long-Term Regional Dialogue and the impacts after 2011. During this meeting parties will also discuss the recently completed economic impact study regarding BPA providing benefits to DSIs. The independent study focuses on how various levels of benefits BPA provides to DSIs could impact regional jobs and the Pacific Northwest economy.

Last March, on BPA's behalf, the Northwest Power and Conservation Council commissioned a panel of three independent experts to evaluate a range of benefits to the DSIs and how that affects the Northwest. The authors were selected by a group consisting of representatives from the Public Power Council, the DSIs and an investor-owned utility. The report is available on the Council Web site at http://www.nwcouncil.org/news/2006_08/DSIreport.pdf.

Finding the proper balance in the distribution of the benefits of the Federal Columbia River Power System – including benefits to the DSIs – is a goal of the Long-Term Regional Dialogue. BPA will consider a variety of information when evaluating the level of benefits provided to the DSIs after 2011, including potential augmentation impacts, costs to BPA's other customers, the study's conclusions and related public comments. The conclusion will be part of the Long-Term Regional Dialogue policy and record of decision, which is expected to be released January 2007.

Public Meeting and Comment

The public meeting will provide interested parties an opportunity to learn more about the final report, speak with BPA representatives, provide comments and participate in a moderated discussion of what factors should be considered in making this decision. The meeting is scheduled for Friday, September 8, 2006, in the BPA Rates Hearing Room, located at 911 N.E. 11th Avenue, from 10 a.m. to 4 p.m. Registration begins at 9:30 a.m.

Comments will be accepted through the Regional Dialogue public process. The comment period is open through September 29, 2006. Comments can be submitted online at <http://www.bpa.gov/comment>; via e-mail to comment@bpa.gov; via mail to Bonneville Power Administration, Public Affairs Office - DKC-7, P.O. Box 14428, Portland OR 97293-4428; or by fax to (503) 230-3285. You also can call us toll free with your comments at (800) 622-4519. In your comments, please reference Regional Dialogue – service to DSIs. Please note that all comment letters will be posted on BPA's Web site at <http://www.bpa.gov/comment/>.

We look forward to your participation in this process. If you have any questions, please contact your Power Account Executive, Constituent Account Executive or Tribal Account Executive.

Sincerely,

/s/ Allen Burns

Allen Burns
Vice President, Power Bulk Marketing and Transmission Services

Enclosure:
September 8 Meeting Agenda