Department of Energy



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

POWER BUSINESS LINE

December 13, 2002

In reply refer to: PSP

To Rate Case Parties and Customers:

At the December 12, 2002 LB CRAC workshop, Bonneville Power Administration presented the results for both the LB CRAC4 calculation for the period April 1, 2003, through September 30, 2003, and the LB CRAC2 True Up covering the period April 1, 2002, through September 30, 2002.

The numbers presented were announced as final at the conclusion of the workshop when no significant issues were raised. The final LB CRAC4 adjustment for April 2003 through September 2003 will be 40.24%. The associated rate increase is 38.53% for non-Slice, and 39.51% for Slice over May 2000 rates. The LB CRAC2 True Up for the April 2002 through September 2002 period will be approximately \$2.3 million owed to BPA.

In addition to the numbers being final, the LB CRAC workshop scheduled for December 19, 2002 was cancelled.

Handouts from the December 12th workshop are available on the Power Rates page of the BPA Power Business Line website at the following link.

http://www.bpa.gov/Power/psp/rates/index.shtml

Sincerely,

/s/

Byron G. Keep Manager for Power Products, Pricing and Rates