



Department of Energy

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

POWER BUSINESS LINE

March 4, 2003

In reply refer to: P

Dear Customers and Interested Parties:

On February 25, 2003, Administrator Steve Wright, Chief Financial Officer Jim Curtis and I hosted a workshop on the major policy issues that affect Bonneville Power Administration's (BPA) rates and finances. This workshop was initiated in response to the many questions customers and others have raised about BPA's current financial condition and about the possible options available to address the situation that has caused the Safety-Net Cost Recovery Adjustment Clause (SN CRAC) to trigger. At this workshop we had a very positive and constructive discussion of the policy issues and financial options available to BPA. I thank all of you who were able to take the time from your busy schedules to participate.

During the discussion at this workshop, John Saven, Northwest Requirements Utilities, presented a proposal he believed might help guide BPA through its current financial situation with a high probability of avoiding an SN CRAC adjustment to rates. The Administrator committed to a follow-up workshop with customers and interested parties to further explore this proposal. Therefore, I would like to invite you to another workshop at which Jim Curtis and I will discuss this proposal with you, as well as continue our policy-level discussion of issues that could affect the ultimate size of any rate increase. Unfortunately, Administrator Steve Wright will be unable to attend this second workshop. As with the [February 25 workshop](#), this workshop is in addition to the normal workshops and formal proceedings that are part of the SN CRAC rate case.

Please join us on Friday, March 7, 2003, in the Rates Hearing Room, which is located at 911 NE 11th Ave, in Portland, OR, from 2 p.m. until 5 p.m. Please call Cain Bloomer at (503) 230-7443 or Cynthia Jones at (503) 230-5459 if you would like to participate by phone.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul E. Norman".

Paul E. Norman
Senior Vice President
Power Business Line