

BONNEVILLE POWER ADMINISTRATION
NEW LARGE SINGLE LOAD POLICY
PUBLIC MEETING FOCUSING ON
THREE SPECIFIC NLSL ISSUES

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DATE TAKEN: July 10, 2001
TIME: 1:00 P.M.
PLACE: Sheraton Portland Airport Hotel
8235 N.E. Airport Way
Portland, Oregon

COURT REPORTER: Sarah C. Thomas, RPR, RMR, CSR

APPEARANCES

Allen Burns, BPA

Dave Fitzsimmons, BPA

Robert Anderson, BPA

Tom Miller, BPA

P R O C E E D I N G S

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MR. FITZSIMMONS: I'll introduce myself. Thank you all for coming. This is important review for the region and for Bonneville.

I am Dave Fitzsimmons, the account executive and the primary point of contact in regards to this review.

Can everybody hear?

On my right is Allen Burns, who you probably all know, vice president of requirements marketing at Bonneville; Robert Anderson with the power business line; and Tom Miller with our office of general counsel.

I think, because the group is pretty small, it would be helpful, probably, for everybody in the room and myself if we just real quickly go around the room and introduce ourselves and who we represent. We don't have to tell something about ourselves.

MS. DAVISON: Are you looking at me to start? I am Melinda Davison. I am with the law firm of Davison, Van Cleave. I will be submitting comments today on behalf of Douglas Electric Cooperative.

MR. SANGER: My name is Irion Sanger. I am also with the law firm of Davison, Van Cleave. I am submitting comments on behalf of the industrial customers of Northwest Utility.

1 MR. HAYES: I am Gil Hayes. I'll be commenting on
2 behalf of the Steel Workers and Northwest Aluminum.

3 MR. LEBRUN: I am Ed Lebrun, and I'll be doing
4 the -- basically the same on the Washington side for
5 Goldendale Northwest.

6 MR. CARR: My name is Geoff Carr. And I work with
7 the Northwest Requirements Utilities.

8 MR. ESSEX: Bob Essex, Cowlitz PUD.

9 MR. BRAWLEY: Doug Brawley with Pacific Northwest
10 Generating Cooperative.

11 MR. SCHWARTZ: Howard Schwartz, Washington
12 Department of Economic Development, energy policy division.

13 MS. WILLIAMS: Lynn Williams, PGE.

14 MS. PARR: Tami Parr, PGE. We will be submit
15 submitting written comments.

16 MR. STAUFFER: Mark Stauffer, Montana Power. We
17 will be submitting written comments.

18 MR. SIGFRINIUS: Mark Sigfrinius, City of
19 Goldendale.

20 MR. PECK: Dana Peck, Klickitat County, Washington.

21 MR. SPEER: I am Jack Speer with Alcoa.

22 MR. EARLY: Michael Early for Alcoa, Kaiser.

23 MS. BAKER: Nancy Baker on behalf of Northern Wasco
24 PUD. I will be submitting written comments and offering
25 comments, as well.

1 MR. SVENDSEN: Tom Svendsen, Klickitat PUD.

2 MR. SPIGAL: Harvey Spigal, representing Klickitat
3 PUD.

4 MS. SEVVIN: Kate Sevvin, Brian Baird.

5 MS. BENNETT: Jeanne Bennett for Congressman Brian
6 Baird.

7 MR. STERN: Brian Stern for Congressman Brian Baird.

8 MR. MURPHY: Paul Murphy submitting -- I won't be
9 submitting oral comments, but will be submitting written
10 comments.

11 MR. REDMAN: Eric Redman. I'm here today for Golden
12 Northwest Aluminum.

13 MR. PIEDMONT: Joe Piedmont, consultant for the
14 aluminum companies.

15 MR. PARKER: Rick Parker, Longview Fiber Company.

16 MR. SABACO: Dave Sabaco, Douglas Electric Coop.

17 MR. FITZSIMMONS: I believe that's it. Thank you.

18 Just a real quick review of the agenda here. We
19 will talk about the process. Allen will talk today about the
20 purpose of the review that brought us here today. We will go
21 through a series of just clarification on the process, the
22 time lines for that, or anything that was included in the
23 documents that have been posted on the website or mailed out
24 that you want some clarification on prior to making comment.

25 Then we will move into taking comment itself. And

1 we will ask, for ease of the court reporter, if everybody
2 would step up to the mic to make their comment.

3 I will be going through the list. As you signed in
4 you made note whether you wanted to comment or not. We will
5 just call you up to keep some orderly fashion moving through.
6 We want to get all the comments and get them as accurately as
7 possible.

8 When you make comments, step up to the mic and state
9 your name again, please, for the court reporter and who you
10 represent. That would be really helpful.

11 Allen.

12 MR. BURNS: Dave said thanks for taking time out. I
13 know folks on a day like today would probably be out at your
14 favorite place with your favorite cold beverage. I
15 appreciate you taking time with us.

16 These are important issues, I think. I'm going to
17 go over the three issues that we are asking for comment on.
18 But, I think, probably all of you realize these are issues
19 that affect ultimately the rates that customers pay and, as
20 such, the jobs, workers and the like. So even those
21 customers maybe who are not directly impacted by one of these
22 issues would be potentially indirectly impacted.

23 So glad to see a lot of you here so we can get
24 comments.

25 As I indicated, we were not taking comment on the

1 entire new large single load policy. We really wanted to
2 focus on the three issues that all of you have seen in the
3 written documents.

4 And the reason for that primarily was during the
5 subscription process, where we signed up the customers last
6 fall, we had a couple issues customers raised regarding the
7 application of the new large single load policy and whether a
8 customer would pay a PF rate or an NR rate.

9 Things were fairly busy back then. We have been
10 involved with the rate case, a number of things. We
11 indicated we thought it was appropriate to take a look at
12 that prior to the start of the next five-year period, but,
13 given everything we had on our screen, we decided to put it
14 towards the end of this rate period right before the next go
15 around.

16 Another reason why a couple of these issues, not
17 that they got raised subscription, but probably another thing
18 sort of unique -- they probably really are circumstances we
19 have not experienced. In the 1980s, when the Act was passed
20 and the first application of the new large single load
21 policy, and a number of things were done in the nineties,
22 there was some determinations.

23 But a couple of the issues we are taking comment on
24 today are probably a different version or somewhat different
25 than the factual circumstances we feel that we have looked at

1 in the past. Because they are important issues and a
2 somewhat different look at the facts, we thought it was
3 important to hear from everyone.

4 So let me just go through the three issues. Before
5 I say that, I just want to point out to folks, this is not an
6 issue about whether or not somebody gets service from
7 Bonneville and the right to buy BPA power or the quantity of
8 that rate. It's about the rate. It's about whether or not
9 you pay the new resources rate or the PF rate. It's not an
10 issue of entitlement for power, but the application of the
11 right rate.

12 So the three issues that we are going to talk about
13 today and want to hear, the first one is a situation where a
14 preference utility begins to provide service to direct
15 service industry that formerly was taking power from
16 Bonneville. Should that be a new large single load? What is
17 the applicable rate?

18 The reason why that's a somewhat different
19 circumstance, in the past we have looked at sister situations
20 where what if a DSI wanted to take service from the local
21 public utility, but its contract demand is from Bonneville.
22 That's an issue we have dealt with. We have talked about
23 issues where Bonneville was offering service to the DSIs
24 below contract demand. What would happen if a DSI wanted to
25 deal with that situation?

1 But the one today we are interested in is a change
2 of circumstance. It's an issue where Bonneville isn't
3 offering service. It's below contract demand, but it's a
4 service we are not offering.

5 If a DSI were to move over to a pickup utility and
6 take service, what is the appropriate rules and how should we
7 administer the new large single load policy?

8 So on that one, I believe, you all have comments.
9 But a couple of things I hope folks will comment on during
10 the next portion of this meeting would be -- the first one
11 is, is this a situation that folks believe we define and
12 confine to a separate situation? Is it one that's easily
13 walled off?

14 Are the facts and circumstances we are dealing with
15 here different enough, for example, from a situation where a
16 greater than ten megawatt load of an industrial utility that
17 may be facing market prices now or maybe in the future, as
18 the industry evolves, is actually out facing market prices?

19 What if a customer like that were to move over? Is
20 that a different enough circumstance? Can we deal with the
21 DSI situation separate?

22 Then the second sub-question on the DSI issue of
23 taking service from preference customer that we would be
24 interested in is thoughts about your view on what the
25 implications are both for the rates that other customers

1 would pay and also Bonneville's role.

2 We just went through a big effort on our rate case
3 and our load reduction where we are exposed to quite a bit of
4 augmentation. We went out, and all of you participated and
5 helped us out so we could get out of market.

6 If we tend to move in the direction of picking up
7 this additional load, even though it's ten megawatts a year,
8 we would be interested in your thoughts and comments if we
9 have nine or ten applications at the end of a five-year
10 period you could be looking at an additional five, 600
11 megawatts of load Bonneville might be serving.

12 We're just interested in what your thoughts are if
13 we ought to be more into an augmentation role.

14 The next issue, the second one, is dealing with if a
15 customer that is greater than ten megawatts, but had the
16 contracted for-committed to determination made where it was
17 actually being served before September 1st, I believe, of
18 1979 -- is that right, Tom?

19 MR. MILLER: That's correct.

20 MR. BURNS: What happens in a particular
21 circumstance?

22 We have looked at that issue before, where it
23 involves customers maybe shifting from an IOU to a public
24 preference utility. We have been pretty clear that the
25 determination really applies to the utility and the customer,

1 that relationship that existed on September 1st, 1979.

2 However, we had at least one instance I'm familiar
3 with -- there may be another one or two -- where rather than
4 between investor owned utility and a public utility it was
5 between two public utilities. We are dealing with a load and
6 the possible shifting of a CFCT.

7 So we are looking and want to take comment on that
8 question.

9 What happens, the differential here may be that the
10 current end use consumer through the public utility is
11 already getting PF service. So since there is no impact, if
12 they were to shift over the question has arisen, why would
13 Bonneville continue to follow through with the application in
14 that circumstance?

15 So a couple questions there to think about on that
16 issue, once again, is it unique enough, similar to the first
17 issue, or is it really hard to distinguish and draw a
18 distinction for this issue?

19 Probably the other thing on this second issue we
20 would be interested in, is this really confined to a few
21 unique circumstances so it's not really a big deal for folks?
22 There is maybe a half a dozen or fewer cases like this, so
23 most folks would say: No sweat off our back. It doesn't
24 seem to be a big application across the board. We would be
25 interested in your thoughts.

1 The third issue, then, is not one that came out of
2 subscription, but we are raising. It's been 20 years now
3 under the Act and the CFCT determinations. The way we've
4 applied this in the past has been the need for folks to
5 actually put in reliable, factually accurate, and timely
6 information to get the CFCT determination. We really haven't
7 forced that issue for 20 years, going out and saying: You
8 really need to get the information. It's time to close that
9 out.

10 We think with a lot of interest in this issue right
11 now -- you have been given a couple issues we are dealing
12 with -- it really probably is timely to figure out a way to
13 close this off.

14 So questions there would be, do you see any major
15 problems with us actually deciding it's time to close it off
16 that would be caused?

17 Secondly, what is a reasonable time line and process
18 to do that? Should we try to do something over a matter of a
19 month or two, fairly expeditiously, or should we stretch it
20 out over a year or two if we determine we want to go ahead
21 and close off and have folks submit their final
22 determinations?

23 The last thing I would just like to mention is, what
24 we are here for today is basically to listen to all of you.
25 It's a small enough group. We have until 4:00 o'clock if we

1 need that. We really wanted to listen and take comment.

2 We are not here to debate and make a decision. We
3 may ask some questions when we get into the comment period,
4 but they will be questions along the lines: Do we understand
5 what your view point is, what your opinion on that is, so we
6 can fully consider it over the next several weeks as we are
7 going through this process.

8 MR. FITZSIMMONS: Thank you, Allen.

9 So we will go ahead and move right into
10 clarification. No particular order. If there are
11 clarification questions on either the purpose that Allen just
12 went through or the process itself or the schedule, now is
13 the time to get those out of the way so we can move on to the
14 comment period.

15 So feel free, if there are any, to step up to the
16 mic.

17 MR. STAUFFER: Mark Stauffer from Montana Power.

18 Could you all expand a bit on the particular
19 circumstances that have caused the second item to become an
20 issue? I'm not entirely familiar with the two publics and
21 the industrial customer that is presently the focus of this
22 issue. Is it possible that you could expand on that?

23 MR. MILLER: Just briefly, one of our customers,
24 Central Lincoln PUD, was serving a load and Douglas Electric
25 Co-op offered to provide service to the same load. The load

1 was on a border area dividing line, or whatever, between the
2 two, the PUD and the co-op. There was approximately a year-
3 and-a-half process both before the Oregon courts and the
4 Oregon PUC in terms of who had the right to serve the load.

5 The load is now being served by Douglas Electric
6 Co-op. And thus, the question of the transfer of the load,
7 whether or not it retains its contracted for-committed to
8 service or not, arose.

9 It was a load that was served by Central Lincoln PUD
10 on September 1, 1979, and under a contract. And it had a
11 determination from the administrative to that effect.

12 So the question has arisen as to whether or not it
13 should continue to have that status.

14 GEOFF CARR: Geoff Carr here with NRU.

15 Allen, perhaps you could help me a little bit more
16 on the first issue, 1A, that you raised. Give me a little
17 more of an example. You talked about wanting to separate the
18 DSI issue from and you talked about an IOU customer that
19 might want to move in under a market rate environment.

20 Could you help me out a little bit more on that,
21 give us an example?

22 MR. BURNS: Well, typically the way our practice has
23 been and policy for new large single loads is looking at the
24 entire size of the facility in its entirety. So if you were
25 to apply that, just a straightforward application of that, of

1 course, in this case a DSI load moving over, even if it's
2 below the contract demand that we are not serving at 9.9,
3 wouldn't be a new large single load.

4 So what I'm just raising is if we decide the
5 circumstances are unique enough with the DSI situation, is it
6 possible to distinguish that from the situation where you
7 have an industrial customer of an investor owned utility who
8 maybe is a similar area where they are eligible to take
9 service from both parties? And if they were clearly, you
10 know, above ten megawatts, but wanting to start phasing in
11 some of their load and were facing a similar circumstance
12 where they were exposed to the market, job implications, and
13 the like, those two seem similar to us.

14 I was just interested in people's thoughts about
15 whether those two could be distinguished. Because in the
16 latter case you are talking about a lot of possible load that
17 might migrate on. It's a much bigger issue.

18 Paul.

19 MR. MURPHY: Paul Murphy.

20 When you gave your introduction of the facts to be
21 considered you didn't really mention the statutory provision
22 that was involved. I assume that was an oversight.

23 I, uh -- the response, one of the things that
24 strikes me about the response you just made was that
25 Bonneville has already looked at the facility. But the

1 provision in the law talks about a new large single load
2 means any load associated with the new facility, existing
3 facility, or the expansion of an existing facility which will
4 result in an increase of power requirements of such customer.

5 It does seem to me that it's the loads on the
6 utility customer that is the statutory criteria. I assume
7 that Bonneville is going to include in its determination the
8 statutory criteria to the extent that there are statutory
9 criteria and then policy presumably only where there is not
10 an express coverage of the issue by statute.

11 Is that an incorrect assumption?

12 MR. BURNS: No. We will be looking at all that. I
13 didn't mean to confine either the scope of the things on
14 these three issues.

15 I particularly was interested in those sub-questions
16 that people would state an opinion, because I was interested.
17 But other areas, clearly the statute and its application are
18 things that we need to consider and are interested in.

19 MR. MURPHY: I'm glad to hear that.

20 MR. MILLER: Obviously, the whole policy of the new
21 large single load is implementation of section 3(13) of the
22 Northwest Power Act. We understand that and we have had
23 prior interpretation of that.

24 So we will take your question as a comment and
25 consider that, as well as the rest of this. There are past

1 interpretations that we have had. We have tried to summarize
2 some of them in terms of the policy document here and those
3 are things that we will consider.

4 Thanks for making us aware what the context is of
5 the statute.

6 MR. FITZSIMMONS: Any other clarification?

7 One more? Okay.

8 MR. SCHWARTZ: I am Howard Schwartz.

9 Just to help me understand this better, on the first
10 issue if nothing is done and the existing policy is kept in
11 place, what happens if a DSI previously gained power from
12 Bonneville wants to get some of its load served by a local
13 utility?

14 MR. MILLER: I think included in the federal
15 register note is a statement that if we applied the current
16 policy and we are not considering a distinction between the
17 portion of load served by Bonneville and the portion of load
18 served by other suppliers, that the treatment would be the
19 load would be a new large single load and would be paying the
20 higher NR service if it was being served through a utility
21 customer of Bonneville.

22 MR. SCHWARTZ: Okay.

23 MR. FITZSIMMONS: Seeing no other hands, it looks
24 like we can move on to the comment portion of the meeting.

25 And, Melinda, did I hear you have to be someplace?

1 MS. DAVISON: Good afternoon. I am Melinda Davison.
2 I am appearing on behalf of Douglas Electric Cooperative.

3 I appreciate the opportunity to present comments to
4 you this afternoon. I particularly appreciate the fact that
5 Bonneville has scheduled this meeting to take public comment.

6 I was reviewing the materials that you had provided
7 in advance of the meeting. I thought they were very helpful
8 materials. Again, I want to express our appreciation for you
9 putting that together.

10 I am just going to limit my comments to the second
11 issue, which is the issue of a customer that's served by one
12 public agency customer of Bonneville switching to receiving
13 its electric service from another public agency customer of
14 Bonneville. We believe that in that instance that that
15 customer's load should not be considered a new large single
16 load.

17 As your comments earlier this afternoon suggested,
18 that is something that does not present any kind of net
19 impact on Bonneville and the power that they have to plan to
20 serve. BPA has not previously interpreted this issue, to my
21 knowledge.

22 I think that a finding in favor of new -- of no new
23 large single load is consistent with the fact. I think it's
24 consistent with some previous interpretations of the act by
25 Bonneville.

1 I would like to answer the two questions that you
2 posed earlier this afternoon with regards to this issue.
3 With regard to the first question, I believe that this is a
4 unique and specific set of facts that you can define that
5 apply to the second issue and that you can easily define this
6 and apply it consistently in the future.

7 And the second question that you posed, I believe
8 that this is a very limited circumstance. I don't think that
9 it's going to be a broad application. I think that is proven
10 by the fact in the 20 years that this has been a factor it's
11 very rarely come up.

12 Thank you.

13 MR. FITZSIMMONS: Thank you.

14 Gil Hayes. I may mispronounce some of these names.
15 Bear with me.

16 MR. HAYES: I am Gil Hayes, executive board officer
17 from the Steel Workers Local 9170. I work in the Northwest
18 Aluminum plant in The Dalles.

19 I am here today because my job and 700 other jobs
20 directly associated with producing aluminum are depending on
21 the plant getting a fair share of the benefits of the Pacific
22 Northwest hydropower sold by BPA. The steel workers do not
23 believe the BPA is offering a fair deal, beginning with its
24 refusal to sell Northwest Aluminum the full amount of power
25 it needs to operate these facilities.

1 Northwest Aluminum has been a long-standing,
2 necessary customer since 1958. Now BPA says that its policy
3 is that if the Northwest Aluminum plant tries to buy power
4 from Northern Wasco PUD and the local utility buys power from
5 BPA, BPA will hit the local utilities with the new large
6 single load rates and double its price.

7 We think this is grossly unfair. We know our plant
8 cannot continue to operate with double the electrical cost.

9 BPA asked us whether it should change its policy to
10 let Northwest Aluminum buy power from Northern Wasco PUD
11 without being hit with the double price for electricity. If
12 the plan really is to penalize these plants, then, of course,
13 BPA should change the policy.

14 There is no cause to treat these plants worse or
15 different than any other long-term employer that seeks to buy
16 electricity from a local utility. Indeed, we understand that
17 Congress put this new large single load provision in the law
18 because Congress expected BPA to keep selling power to the
19 aluminum companies.

20 We weren't happy that BPA decided to cut them off.
21 We are going to be very, very unhappy if, after having cut
22 them off, BPA interjects themselves in a discriminatory
23 fashion into dealings between aluminum companies and the
24 local utilities to force them to charge such high rates
25 aluminum can't afford to stay in business.

1 We think if BPA doesn't want to sell the power to
2 aluminum companies they should get out of the way and let the
3 local utility customers treat aluminum like any other
4 customer.

5 Thanks for your time.

6 MR. FITZSIMMONS: Thank you.

7 A reminder, when we introduce ourselves, please
8 repeat who we are representing. Thank you.

9 Dana Peck.

10 MR. PECK: My name is Dana Peck. I am the resource
11 development director for Klickitat, Washington.

12 I would like to just say I was a thoroughly
13 befuddled Senate energy staffer when this bill was going
14 through the Senate somewhat more than 20 years ago. I was
15 working for a Midwestern senator and trying to learn what it
16 was like in an area where peaking was cheap, quite backward
17 from the rest of our experience, at least in that part of the
18 country.

19 I have to say I have some fairly strong memories of
20 the legislative history, as well as the statute itself, on
21 some of these things. Some of the definitions I'm hearing
22 today are sure different from what I remember. I sure don't
23 remember new large single load being explained in the terms
24 I've heard this morning or this afternoon.

25 I strongly encourage to you look to the legislative

1 history, as well as the specifics of the statute itself, for
2 guidance on some of these things. That's just sort of my own
3 little historical perspective on that.

4 Given the sorts of folks that are here today, I am
5 not going to read the whole thing. I am here to support the
6 positions of Klickitat PUD and Northern Wasco PUD on issues
7 concerning BPA's new large single load policy. Each of these
8 utilities serves a company that is also a direct service
9 customer of BPA, Goldendale Aluminum Company in the case of
10 Klickitat PUD and Northwest Aluminum Company in the case of
11 Northern Wasco PUD.

12 Both of these companies depend heavily upon the
13 availability of low cost hydropower for their continued
14 economic existence. It is my understanding that some of the
15 interpretations of the new large single load policy could
16 double the price that our utilities will have to pay for
17 electricity to serve these companies, forcing them to cease
18 operations, as our unique counterparts quite clearly stated.

19 A recent study of the economic benefits to Klickitat
20 County, Washington and Wasco County, Oregon, which I have
21 submitted for the record, just now arising from operations of
22 these two plants shows that they employ more than 1,225
23 highly paid workers, a full 7.7 percent of Klickitat County's
24 employment -- about half of the Goldendale Aluminum work
25 force lives in Goldendale, Washington, population 3500 and

1 declining -- and 4.3 percent of Wasco County's employment.

2 The average pay at these two plants is about \$61,633
3 in wages, salaries, and benefits, roughly twice the average
4 for Washington and Oregon and almost three times the average
5 of Klickitat County. Actually, slightly more than three
6 times the average if you really wanted to delve into the
7 statistics. Family wage jobs such as these are scarce in
8 Klickitat and Wasco Counties; indeed, they are scarce
9 everywhere.

10 The unemployment multiplier for these jobs in a
11 rural area is about 3.9, which is -- if you are into these
12 sorts of things -- a relatively high employment, which leaves
13 us about 3900 jobs which are dependent upon these two plants.
14 Because of the dominant role of Northwest and Goldendale
15 Aluminum Companies in our region, a region with the
16 population, roughly, of a small suburb in the metro area --
17 Gresham about ten years ago if you want a frame of
18 reference -- a full or even partial closure of these plants
19 would have a devastating impact on Wasco and Klickitat
20 Counties.

21 BPA asks whether it should change its policy to
22 allow the plant load it no longer wishes to serve to seek
23 service from the utilities in Klickitat and Wasco Counties
24 without new large single load status for the transferred
25 load. As far as we can tell, BPA has never had a policy on

1 this question, because it had not previously refused to serve
2 the load of these plants.

3 We don't believe that the BPA should discriminate
4 against the ability of our local utilities to serve these
5 plants, but should instead treat them like all other long-
6 standing industries in the region. Local utilities can buy
7 the power they want from BPA to serve other long-standing
8 industries at the lower PF rate and they should be allowed to
9 buy power to serve these plants on the same basis.

10 Thanks.

11 MR. FITZSIMMONS: Thank you, Dana.

12 Ed LeBrun.

13 MR. LEBRUN: My name is Ed LeBrun and I am from the
14 local office of the United Steel Workers 8147 in Goldendale,
15 Washington. I live in The Dalles.

16 I am here today because my job and 700 other jobs
17 directly associated with producing aluminum are depending
18 upon the smelter getting a fair share of the benefits of the
19 Pacific Northwest hydropower supplied by BPA. The steel
20 workers do not believe BPA is offering a fair deal, beginning
21 with its refusal to sell Goldendale the full amount of power
22 it needs to operate these facilities.

23 Northwest Aluminum has been a long-standing
24 customer since 1958. Now BPA says that its policy is that if
25 Goldendale smelters or Northwest Aluminum smelters try to

1 purchase their power from local utilities, then BPA will
2 impose the local utilities with a special new single load
3 rate. That doubles electricity costs, which, in turn, we
4 couldn't afford to produce any aluminum at that cost. We do
5 not think that either plant can continue to operate with this
6 double jeopardy increase in electric cost.

7 BPA is now asking whether they should change their
8 policy to allow Goldendale Aluminum or Northwest Aluminum to
9 purchase power from PUD or Northwest Klickitat PUD without
10 being penalized with a double price for electricity. If the
11 policy really is meant to penalize these plants, then, of
12 course, BPA should change that policy.

13 There is no cause to treat these plants any
14 different than any other long-term employer that seeks to
15 purchase electricity from its local utilities. We understand
16 that Congress put this new large single load provision in the
17 law, but Congress expects BPA to keep selling power to the
18 aluminum companies.

19 We are not happy that BPA has decided to cut them
20 off and we are going to be very, very unhappy if, after
21 cutting them off, BPA reaches out to discriminate against the
22 aluminum companies and forces the local utilities to charge
23 them such high rates that they cannot afford to stay in
24 business. We think that if BPA does not want to sell the
25 power to the aluminum companies they should get out of the

1 way and let their local utilities treat them like any other
2 customer.

3 Thank you.

4 MR. FITZSIMMONS: Thank you, Ed.

5 Mark with the City of Goldendale.

6 MR. SIGFRINIUS: I didn't think you'd attempt my
7 last name.

8 My name is Mark Sigfrinius. That's Swedish, if
9 anybody gives a hoot. I am the mayor of Goldendale. I am
10 here representing both the interests of the City of
11 Goldendale and the surrounding eight or 9,000 people that
12 live around the entire area there.

13 Goldendale Aluminum plant is the largest employer in
14 the community. You've heard this before. When it's fully
15 operational, like 700 jobs.

16 If you want to buy a house come to Goldendale right
17 now. We've got 155 houses for sale right now. Buy them
18 pretty cheap. People are moving out. Good families. I
19 mean, you know, guys with two or three kids in the school
20 district and they are moving out.

21 It's kind of like seeing your good friends are
22 leaving. I've lived there nine years, made a lot of good
23 friends. My neighbor next door has worked at the plant for
24 23 years and now he is going to be working in a convenience
25 store at \$6.80 an hour.

1 Our community has a vital interest in supporting the
2 plant and we believe that -- I mean, I'm not going to repeat
3 what these other people have said; you probably heard it
4 enough -- the BPA left Goldendale Aluminum. It wasn't the
5 other way around.

6 There is no way they should be charged -- Klickitat
7 PUD should be charged at a new rate. It's ridiculous.
8 They've been supplying power to the aluminum plant way before
9 1979.

10 You just got to come to Goldendale to see the
11 difference the closing of these two plants have made. Some
12 of the guys that worked in The Dalles lived in Goldendale.
13 Some of the guys that lived in Goldendale worked in The
14 Dalles plant, back and forth.

15 There has been a study by the Mid Columbia Economic
16 District that said that we will be at 31 percent unemployment
17 real soon, by the end of summer. We are already at 21. I
18 mean, like if Seattle loses 500 jobs it's easy to absorb.
19 Well, we have lost 700 and where do they go? They have to go
20 out of town.

21 I just -- I think everybody knows whose mistake it
22 was about overselling the power. I'm not blaming you
23 individually. But how many of you are elected officials? If
24 I had had a policy that I implemented that I tore a road out
25 so a company couldn't have any goods delivered to his

1 business, man, I'd be voted out of office in a hurry.

2 There is no accountability here. Even the head of
3 the BPA is not elected.

4 I think that it's a sad day when a government
5 agency, through its policies, tells private businesses
6 whether they make it or not. That's exactly what happened
7 here.

8 It happened with the Endangered Species Act. What
9 happened to the logging industry? It's gone. Then we have
10 agriculture in Goldendale. You can buy wheat for what you
11 could buy it for in 1970. Then we had aluminum. Strike
12 three.

13 We are talking about people that have moved to that
14 area because of two things, the quality of life and the jobs
15 that were available, especially at the aluminum plant, plus
16 the four other jobs that it creates.

17 So come on to Goldendale and buy yourself a cheap
18 house.

19 MR. FITZSIMMONS: Thank you, Mark.

20 Mark Stauffer.

21 MR. STAUFFER: I am Mark Stauffer, Montana Power
22 Company. We will be sending any comments in by the 27th.

23 Just some general observations, though. In
24 particular a response to your question, Allen.

25 In general, we support a relatively strict

1 interpretation of new large single load and we would
2 encourage you to take a very broad regional policy
3 perspective regarding this. What's in the best interests of
4 the region as a whole?

5 I think this in your publication you have this
6 paragraph here, the origin of the new large single load
7 restrictions. It was very informative in terms of the
8 legislative history, why it was put into the Act. And I
9 think that while you mentioned that this was in the 1970's,
10 it seems to be rather pertinent today, as well.

11 In response to your question, Allen, how to treat
12 the various loads, is there a distinction between a public
13 switching to another public, a DSI switching to a public, or
14 an IOU load switching to a public? I don't think you
15 included the last one in the category, but I would suggest
16 that perhaps it should be included and that, if you make some
17 distinctions here, they are going to be difficult to keep.

18 The real question is if a load moves to a public, it
19 doesn't really matter where it comes from. So if you make
20 this decision based on one of them, it may very well carry
21 over to all of them.

22 So the idea that there is no net impact regarding
23 the movement of a public to a public, I don't know if that's
24 necessarily the case. It could be that you will have set a
25 precedent that if a load moves to a public they have rights.

1 So I think, in response to your question, perhaps it
2 should be put in a broader context.

3 Again, I encourage you to look at this from a
4 regional perspective, what it's going to do for the region as
5 a whole. This particular energy crisis that we are
6 experiencing, some communities are getting hit with much more
7 impact than others. But it is relatively broad.

8 I think that, depending on how you interpret the new
9 large single load, it could cause Bonneville to become -- to
10 become more expansionary once again. I think we've seen from
11 just recent history that perhaps that's not in the best
12 interests of the region as a whole. Having just spent a
13 quarter billion dollars to -- of the rate payers' money to
14 buy down load that it is not economic for you to serve, I
15 think that's a valuable lesson there.

16 Thank you.

17 MR. FITZSIMMONS: Thank you.

18 Tom Svendsen.

19 MR. SVENDSEN: I am Tom Svendsen. I am the power
20 manager at Klickitat PUD.

21 The PUD treats very seriously its statutory
22 responsibility to provide low cost, reliable electric
23 services to the citizens of our county and to support the
24 overall economic health of our community. In particular, we
25 believe there is a significant responsibility to work with

1 employers to support the employment base of our county.

2 This job really hasn't been very easy. Klickitat
3 County has one of the lowest household incomes and the
4 highest rates of unemployment in Washington. Goldendale
5 Aluminum Company is one of the few significant private
6 employers in Klickitat County.

7 Goldendale Aluminum and its predecessors have been
8 customers of our PUD since they began operation in 1971. We
9 have been providing additional power to Goldendale Aluminum
10 since the end of 1999, in reliance upon BPA's previously
11 articulated policies concerning large single load status.

12 Our contract with Goldendale Aluminum was
13 specifically designed to insure that the amount of power sold
14 to Goldendale did not increase more than 9.9 megawatts in any
15 consecutive 12-month period. We designed the contract in
16 reliance on the BPA's decision in the Atochem case, where the
17 BPA declared that DSIs could increase the load on local
18 utilities over and above the load served by BPA up to the 9.9
19 megawatts without triggering new large single load status.

20 Even before we entered this contract we specifically
21 advised BPA about it and designed the contract to assure
22 BPA's right to monitor the load growth. Our contract with
23 Goldendale doesn't provide more favorable treatment to
24 Goldendale than any other electric customer would get.

25 Frankly, we think the primary purpose of the new

1 large single load provision was to ensure the DSIs would
2 continue to buy power from BPA, because Congress expected BPA
3 would continue to sell power. Neither Congress nor BPA have
4 previously addressed what should happen when BPA does not
5 wish to sell DSIs power any longer.

6 At an absolute minimum BPA should not discriminate
7 against Klickitat PUD's effort to phase in service to the
8 company with purchases of PF power or try to treat us worse
9 than it treats the many brand new loads on the west side of
10 the Cascades.

11 In conclusion, Goldendale Aluminum is and has been a
12 customer of Klickitat PUD's service territory. Klickitat PUD
13 has a statutory obligation to serve this load once the GAC
14 requests service.

15 BPA has historically restricted Klickitat PUD's
16 ability to serve this load. Now that BPA no longer wants to
17 serve this load it should not alter its historical NLSL
18 policy to again block Klickitat's ability to serve its
19 customers.

20 This is basically a fairness issue. If Klickitat
21 PUD isn't able to serve customers in a service territory at
22 PF rates, should any of the other public utilities be allowed
23 to serve new loads at PF rate?

24 Thank you.

25 MR. FITZSIMMONS: Thank you, Tom.

1 Nancy Baker.

2 MS. BAKER: I am Nancy Baker. I am with the
3 Northern Wasco PUD.

4 I think I said originally I had more comments. I
5 think we are going to reserve our comments mostly for the
6 written.

7 I did want to say that we are in support of the
8 statements made today by the steel workers, the mayor of
9 Goldendale, and the gentleman from Klickitat PUD. Suffice it
10 to say that we are not happy with the policy proposals that
11 we all received. We will be making comments on them.

12 Thank you.

13 MR. FITZSIMMONS: Thank you, Nancy.

14 Howard Schwartz.

15 MR. SCHWARTZ: No comment.

16 MR. FITZSIMMONS: Rick Parker.

17 MR. PARKER: Rick Parker from Longview Fiber.

18 Again, thank you for the opportunity to comment. I
19 only want to make just a few short comments and will have
20 written material, too.

21 But I do think that, in reference to the first
22 issue, that a new large single load policy needs to be
23 administered fairly and that however it does come down, it
24 should be available for all industrial customers.

25 And if you look at it with some special arrangements

1 for certain customers, then that's not fair. It's at the
2 same time special privileges for other industrial customers
3 makes it a burden on the ones that are not able to benefit.

4 The second item, I'll just reference the fact that
5 Melinda made comment -- comments already that were very
6 applicable. Again, the opportunities that that particular
7 issue addresses seem to be few and far between. And that it
8 could be, as Mr. Burns asked, in my mind, at least, something
9 that would be unique and easily separated.

10 Then, finally, on the third bullet, I would say that
11 the contracted for and committed to loads that do exist and
12 that are in place need to be looked at, also, from a fairness
13 issue. And going forward, certainly it doesn't seem to me
14 that it can just be arbitrarily taken away if that was the
15 intent here. And at the same time, when policy is finally
16 decided it should be looked at with that fairness issue in
17 mind.

18 Again, industrial customers that have that ability,
19 that have that contracted for and committed to currently
20 should not then be impaired or, let's say, put into a
21 position where they are in an unfair position.

22 Okay. Thank you.

23 MR. FITZSIMMONS: Thank you.

24 Eric Redman.

25 MR. REDMAN: Thank you. I am Eric Redman. I am

1 appearing here on behalf of Golden Northwest Aluminum and in
2 my capacity as the person who gave Brett Willcox his first
3 job. Ironically, it was to help draft and enact the very
4 provisions that are giving rise to the discussions we are
5 having today.

6 We will be submitting comments for the record today,
7 but also making written comments, including our contracts
8 with the PUDs and so forth on the 27th.

9 Let me run through, in summary, what I have to say
10 here. First, as you know, Golden Northwest owns and operates
11 the former Martin Marietta at Goldendale and The Dalles. The
12 Goldendale smelter is the newest smelter in the Northwest.
13 Both of them are highly efficient and technologically
14 advanced.

15 They have in normal operations 1,225 jobs, which
16 makes them among the largest employers in Eastern Washington
17 and Eastern Oregon. The local economies of both smelters
18 depend on those jobs.

19 Both smelters were built to aid the construction of
20 federal dams. I happened to have been present for the
21 dedication of the dam in Goldendale and the connection, how
22 they were connected I'm sure you are all familiar with at the
23 time.

24 They are -- both smelters are willing to continue
25 buying Bonneville power directly and Bonneville is authorized

1 to continue selling, but has chosen to stop doing it in 2006.

2 Both of the smelters are using the entirety of the
3 remarketing proceeds of their current power supply solely for
4 the assistance of the employees, covering costs that are
5 being curtailed, and developing new non-Federal sources of
6 power; the so-called Cliffs Project, which is going to be a
7 combined cycle gas fired plant at Goldendale, and the Summit/
8 Westward Project, which is being built here in Oregon. The
9 most efficient gas plant in the United States, by the way.

10 Both of the smelters also buy power from the local
11 PUD. In the case of the Goldendale smelter it has from the
12 beginning, since it was first built, purchased power from the
13 PUD.

14 And in 1999, the smelter and Klickitat County PUD
15 amended the existing contract that they had to provide for
16 service to up to 9.9 megawatts a year of additional processed
17 power, but strictly limited it to that amount, and further
18 limited it by saying that none of the power could be used to
19 serve any portion of the load that Bonneville chose to serve
20 directly. So it was only for that portion Bonneville chose
21 not to serve.

22 Golden Northwest through Northwest Aluminum has also
23 bought power from Northern Wasco PUD for many, many years.
24 Northwest Aluminum and Northern Wasco PUD amended their
25 contract in the year 2000 to do the same thing Klickitat PUD

1 did and Goldendale had done. Also, Bonneville always has the
2 right of first refusal under both contracts. Both contracts
3 also given Bonneville the express contractual right to
4 enforce the 9.9 megawatt limit and to displace the PUD
5 service whenever Bonneville wants.

6 By statute, as you know, this is our position:
7 These are not new large single loads. I want to emphasize in
8 1999 and 2000, there was no existing Bonneville policy
9 against ex-DIS load that BPA declined to serve becoming a PUD
10 load, without being a NLSL if annual increases on PUD do not
11 exceed ten megawatts.

12 I think the proposed policy has at least three myths
13 behind it that I want to point out. One is that it's not a
14 change in existing Bonneville policy.

15 I respect Tom Miller very, very much, but I couldn't
16 disagree with him more. I think it's a huge change in
17 Bonneville policy. It singles out DSIs uniquely. I think
18 you can't find anything in 21 years where Bonneville has ever
19 prescribed or suggested that it would prescribe new large
20 single load treatment for under ten megawatt increments of
21 DSI load that Bonneville chose itself to continue not
22 serving.

23 I think the second myth is Bonneville has statutory
24 authority for this policy. Obviously, many people are tired
25 of me talking about the Regional Power Act. This is the law.

1 I don't think that under the definition you can get yourself
2 to this policy.

3 You can't cite any Congressional intent for this
4 policy. I think you are going to have particular trouble
5 trying to extend it in terms of what you think are the
6 purposes of the act.

7 Up to now the only new large single load
8 announcement BPA has made have been used to justify those
9 policies that Congress intended Bonneville to go on serving
10 its load.

11 I think the third myth -- maybe it's not a myth --
12 is the idea this is needed to protect Bonneville's rate. As
13 a practical matter, only a tiny fraction of DSI load is at
14 stake here. The amount of power involved, I believe, is
15 trivial for both Bonneville and its preference customers, but
16 is absolutely vital to the two smelters.

17 Let me turn to that one. That's the question you
18 asked. Why is the amount of power involved trivial for
19 Bonneville preference customers? I think you have to start
20 with the fact even at the theoretical limit, if all of the
21 aluminum smelters were operating now in the Pacific Northwest
22 and all could somehow take advantage of this provision
23 immediately, at the rate things would be phased in you would
24 be talking about, on average, 250 average megawatts a year
25 would be the maximum.

1 Moreover, as Palmer just pointed out to me, there is
2 no way you can even count three of the smelters as being
3 theoretically possible. You are talking about an average of
4 210 as a maximum theoretical average.

5 I think I would suggest that gets totally swamped at
6 that level by other variations. You have 15 megawatts of
7 preference customer load you didn't expect. You are
8 projecting one and a half percent actual load growth and you
9 have lots of fluctuations because of economic cycles, the
10 weather, and other things.

11 The realistic maximum amount is a lot less than the
12 theoretical maximum for a whole bunch of reasons.

13 First of all, at the moment most of these smelters
14 are going to be shut down for at least two of the next five
15 years. During a prescription period you can't run that up
16 very quickly from zero.

17 Second, we all know some of these smelters may not
18 restart at all. You might think of the most likely case.
19 You can make your own judgment as to what is most likely
20 there.

21 I can tell you this affects a lot of smelters now.
22 None of them can start on 9.9 megawatts per year. None of
23 them would restart, even if they didn't know where they are
24 going to get a power supplier after 2006.

25 If you look at the smelter load and you think about

1 how it's impacted through this process, imagine, if you will,
2 how each of them is going to get a power supplier for the
3 remainder of their load after 2006. That's the key question.

4 You can't start them on 9.9 megawatts a year. It
5 can't be done. So some of them have to have a lot of power
6 from other sources.

7 Finally, as you know, an awful lot of the DSI load
8 is either not or, in the case of several of the others, the
9 local utility that might theoretically serve them would be
10 the targeted adjustment clause, whether or not they were new
11 large single load. As a practical matter, those loads aren't
12 coming on either.

13 So far, unless I'm wrong, among all the DSIs -- we
14 are talking theoretical possibility -- only Golden Northwest
15 has actually got contracts with the local utilities. There
16 may be others. I don't know.

17 I think that this is what we are really down to at
18 this point, is two smelters pretty much.

19 Why does it mean so much to the smelters and their
20 employees and their communities? Well, as you know, we are
21 going to get half our power between now and 2006. Once the
22 load is restored, Bonneville proposes to sell none at all
23 after 2006. We have to make a transition from direct service
24 or have to die. Those are the two options.

25 We are investing all of the money from the

1 remarketing proceeds that I mentioned in the smelter in the
2 employees and to get these through non-Federal resources
3 built. "Northwest power for Northwest jobs," that's our
4 motto now.

5 We need help. Bonneville has provided some help
6 that's very valuable, but this is an important piece of help
7 not to cut off. The 9.9 megawatt annual increments that we
8 buy from the PUD or resume buying are important and possibly
9 critical to the economic survival of the smelters.

10 Finally, forgetting about the smelters for a minute,
11 turning around and looking at the PUD, who also testified
12 here today, I would say, again, knowing something about the
13 statute, that it's the statutory rights of the preference
14 customers that are really at issue in your policy on number
15 one.

16 Because the Northwest Power Act entitled those
17 preference customers to have their general requirements met
18 by Bonneville at the lowest rate; total requirements minus
19 any new large single loads. They could have contracted --
20 chosen a contract formula that would have voluntarily waived
21 some of that contract right, but they didn't.

22 Under the Act I don't think you can characterize DSI
23 load that Bonneville doesn't want to serve that moves off to
24 PUD as a new large single load. The actual announced policy
25 is -- statutorily this was not something Bonneville could do

1 at all -- in Atochem more than ten years ago, Bonneville
2 created an exception. If Bonneville did want to serve the
3 load, then it was going to treat it as a new large single
4 load because there had been a Congressional purchase.

5 Obviously, that rationale no longer applies since
6 Bonneville decided not to serve the load.

7 Finally, we worked very hard in drafting these
8 contracts to rely on the fact of the actual legislative
9 history, all of Bonneville policies that we were able to
10 obtain, what we ask you to do and not do.

11 First of all, we think you should stop trying to
12 treat the DSI loads differently. It's not only
13 discriminatory, but it's not necessary to protect
14 Bonneville's rates in the real world. It's very harmful to
15 these distressed communities.

16 We think it violates the statutory rights of the
17 preference customers that want to serve the load. I believe
18 it's contrary to the Act and your prior interpretation.
19 It's, finally, just plain destructive of Northwest industry
20 jobs.

21 Finally, no matter what you do in doing your policy,
22 we hope that you will make sure to acknowledge explicitly
23 that we did enter into these contracts that I described to
24 you. We did so before you announced your policy. Let that
25 be taken into account in deciding how your policy applies.

1 I have copies of this for anyone who would like it.

2 MR. BURNS: Quick question. The idea of being
3 treated fairly, a few folks have raised that point. The idea
4 that maybe this will actually be a small amount. You have
5 the theoretical 200 and some, but maybe practically 50 to
6 100. The distinguishing between an industrial customer of an
7 industry owned utility who might be exposed to market rates
8 wanting to migrate over.

9 MR. REDMAN: A perfectly reasonable question. I'm
10 sorry. I intended to address it, anyway.

11 First of all, it seems to me you should recognize,
12 again, the statute is what the statute is. If a load can
13 successfully make that transition at 9.9 megawatts a year to
14 the public agency and the public agency has a contract with
15 you and it isn't hit by the target adjustment clause, if, if,
16 if, if, it seems to me you have to accept that is the way the
17 statutory scheme works.

18 But in the real world, I can tell you that there are
19 service territory restrictions, there are contract
20 restrictions, there are stranded cost provisions in those
21 contracts for loads being abandoned. You have to find a
22 willing public agency that wants to bring the load in. You
23 have to have all kinds of service arrangements. There are
24 all kinds of limitations on that.

25 Again, I think once you grant your point that, yes,

1 other loads could also take advantage of this provision,
2 Congress understood that, too, pretty well. I think,
3 however, in the real world when you try to think what are the
4 mathematical impacts of that, don't imagine the worst cases,
5 100 percent of all the loads of all the industrial utilities
6 is somehow going to find its way on the public system,
7 because it's very, very difficult to make that transition for
8 an individual load.

9 Thank you.

10 MR. FITZSIMMONS: Thank you. I believe we are down
11 to, I believe, the last commenter. I will give an
12 opportunity if anybody has changed their mind and would like
13 to make a comment. Irion Sanger.

14 MR. SANGER: My name is Irion Sanger. I am with the
15 Industrial Customers of the Northwest Utilities, with the law
16 firm of Davison and Van Cleave.

17 I appreciate this opportunity to comment on BPA's
18 proposed changes to the new large single load. It impacts
19 upon Northwest industry.

20 BPA should not change its policy to only allow
21 current and former DSI customers to receive power at 9.9
22 average megawatt increments for the PUD agency customers at
23 the PF rate. However, if BPA does decide to change its
24 policy to allow customers to receive incremental 9.9 average
25 megawatts of power, all industrial customers, including those

1 of the industrial owned utilities, should be eligible to
2 receive this new large single load exception.

3 There is no legal or policy distinction on which BPA
4 can rest to exclude investor owned utility loads and allow
5 district service industry loads into the large single load
6 exception.

7 On your second point, whoever supports the change
8 that would authorize the load of a facility that has been a
9 CFCT switch to public agencies and retain this status, this
10 change would not alter BPA's commitments and would pose no
11 harm upon Bonneville.

12 Finally, ICONW opposes any closure of the future
13 class of CFCT loads because it could be anti-competitive to,
14 contrary to BPA's statutes. Northwest Power Act exempts
15 loads that have been contracted for-committed to prior to
16 September 1st, 1979, of the new large single load limitation.
17 The law does not provide a timed limitation that CFCT loads
18 must verify their status and any BPA rules that limits CFCT
19 rights of power would violate the Northwest Power Act.

20 Placing a temporary date specific limitation on CFCT
21 status would be anti-competitive. Over the last 50 years
22 economic circumstances have not been appropriate for some
23 CFCT loads to seek load determinations. Northwest industries
24 eligible for CFCT status will continue to not seek load
25 limitation by BPA until their economic circumstances may

1 become appropriate by providing the CFCT eligible loads from
2 requesting load determination at the proper time and proper
3 circumstances.

4 In addition, Bonneville should not make this
5 determination without verification that there is an actual
6 burden upon the agency.

7 I have no further comments. Thank you.

8 MR. MILLER: Before you step away, could you, for
9 our edification, give us an example of an economic
10 circumstance that a load or a consumer would not want to have
11 the determination made of its contracted for-committed to
12 status?

13 MR. SANGER: Well, the economic circumstance may be
14 an industry which now is not the appropriate time. They may
15 have contracted for or committed to prior, and economic
16 circumstances have changed, and they have not sought BPA
17 determination that they have that status.

18 Right now they may not -- economic circumstances may
19 not be such that they see the need to seek that
20 determination. But economic circumstances may change in
21 five, ten years. There might be industry contraction or new
22 opportunities. But if BPA sets an arbitrary limitation, six
23 months, a year from now, then their rights may have been
24 unfairly hindered.

25 MR. MILLER: Just one further question. Are you

1 familiar with the retention documentation for any of these
2 loads in terms of whether they have -- would have contracts?
3 One of the practical problems we face is loss of information
4 because retention documents are not carried for 20, 30, 40
5 years.

6 So that's one of the core questions here, is is it
7 practical to continue making these determinations.

8 MR. SANGER: Well, if those problems arise it seems
9 like they can be dealt with at the time. If there is
10 difficulty verifying this load was contracted for or
11 committed to and BPA makes a determination that they were not
12 contracted for or committed to because of insufficient
13 documentation, then you can make that determination in five
14 or ten years. You don't have to arbitrarily cut off the time
15 period now.

16 MR. MILLER: So if I'm understanding, you would just
17 suggest continuing with a case-by-case review and, if
18 sufficient information isn't available, that would dictate
19 the result?

20 MR. SANGER: Correct.

21 MR. MILLER: Thank you.

22 MR. SANGER: Thank you.

23 MR. FITZSIMMONS: Any other comments that you would
24 like to get on the record today? This is the last one we had
25 signed up.

1 Seeing no hands, just a little bit on the review
2 process. This comment period will remain open until the
3 deadline of July 27th. You have heard that date a couple of
4 times today. I encourage you to write letters, send e-mails
5 to our website. I believe it's actually called
6 comments@bpa.gov.

7 If there are no other questions, we will close the
8 meeting off and thank you very much for coming. It will be
9 very helpful.

10 (The meeting adjourned at 2:25 p.m.)

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