

Washington Rural Electric Cooperative Association

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| 11/17/99 |
| WRECA |
| PUBLIC INVOLVEMENT |
| LOG# SLICE 2-04 |
| RECEIPT DATE: |
| NOV 16 1999 |

11/17/99
Manager of Corporate Communications
Bonneville Power Administration
P.O. Box 12999
Portland, OR 97212

RE: Power Business Line Rate Case Comments – Slice

Dear BPA Officials:

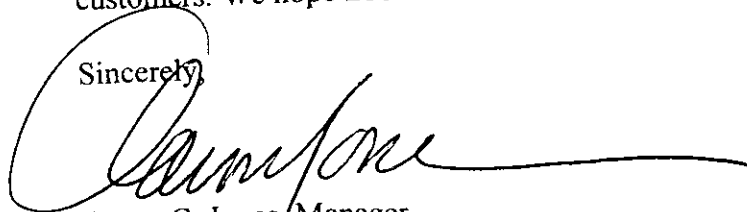
As manager of the Washington Rural Electric Co-op Association, I have been directed by my board of directors to send you their comments concerning the "Slice of The System" product.

When this proposal first came up over a year ago, WRECA's position was that we would not oppose it as long as it did not cause cost-shifts from those who use the slice product to those who do not. Apparently there is some identifiable cost-shifting in the current proposal.

A second concern we have expressed in the past is that the slice product should not result in two different classes of customers, with one group having lower costs and greater access to BPA resources than the other. It appears that there are no limits on how much of the BPA system could be allocated to slice participants. Consequently, if the benefits of slice are clearly, as some people already contend, superior to being a traditional full requirements customer or partial requirements customer, then we could anticipate a large number of utilities choosing slice. Because they could lock those benefits in for up to 20 years, this would in fact create the distinct new class of customer that we worried about at the outset.

WRECA's position relative to slice remains the same as it was a year ago. We support slice if the actual contract offering is consistent with the original description of slice, which is a product that enhances the ability of participants to use their own resources without causing any negative impacts on other BPA customers. We hope BPA will make every effort to hold true to this principle.

Sincerely,



Aaron C. Jones, Manager
WA Rural Elec Co-op Assoc

Benton REA
Prosser

Big Bend Electric
Ritzville

Columbia REA
Dayton

Inland Power & Light
Spokane

Nespelem Valley Electric
Nespelem

Okanogan Co. Electric
Winthrop

Orcas Power & Light
Eastsound

Peninsula Light Company
Gig Harbor

Tanner Electric
North Bend