



Department of Energy

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

POWER BUSINESS LINE

September 24, 1999

In reply refer to: PG-5

To Customers and Interested Parties:

In August of this year, Bonneville Power Administration (BPA) issued a report entitled "Slice of the System Product Team Report." A public meeting has now been scheduled to discuss remaining issues of regional importance regarding the Slice product. The meeting will be held in Portland, Oregon, on Friday, October 15, 1999 in BPA's Rates Hearing Room on the second floor of the 911 Building of BPA's Portland complex. The address is 905 N.E. 11th Street. Those attending the meeting will need to register at the Security Desk in the 911 building lobby and show picture identification.

The meeting will be held from 10:00 a.m. to 3:00 p.m., with an hour break for lunch. During the morning session, Phil Mesa and Terrin Pearson will present "Slice 101," which is an introduction to the basic concepts of the Slice product. In the afternoon, there will be a discussion of the Slice issues of regional significance. The purpose of this meeting is to "close out" the public discussion of the Slice product. The product design needs to be completed so that final contracts can be offered to purchasers of the Slice product at the same time other Subscription product contracts are offered. A paper describing the currently identified issues for discussion at the meeting will be posted to the Slice web site on October 8. We need to receive comments on the Slice issues document as soon as possible. Therefore, please provide written comments to us by October 15 (either mailed to the address listed on the next page or via the Slice E-mail address). You are also invited to provide oral comments during the public meeting. The issues will be posted on the web address:

<http://www.bpa.gov/Power/slice>

If you prefer to have a copy of the issue paper mailed to you, please contact the BPA Public Information Office at 1-800-622-4520. You can also send an E-mail request to:
slicecomments@bpa.gov

BPA recognizes that the level of complexity and uniqueness of Slice has made it difficult for all interested parties to follow the development of the product, and BPA appreciates the comments received to date. To address this situation, BPA has made informational presentations to the public at several locations and has solicited comments on the Slice product. This public meeting is the culmination of the opportunities BPA has offered, during the last few months, for public review and comment on the Slice product. Following is a summary of the processes BPA has conducted for development of the Slice product:

- On January 28, 1999, BPA held a public meeting to report on progress to date on the Slice proposal. The public meeting followed two months of meetings with interested parties to develop the Slice product.
- On February 22, 1999, BPA published the first version of the Detailed Product Description of the Slice product and posted it on the BPA web site. BPA held a public meeting on March 4, 1999, in Seattle, Washington to discuss the Product Description and to receive oral comments.
- BPA held a two-week comment period ending March 10, 1999, during which written public comments on the Product Description were solicited.
- In August 1999, BPA introduced the Slice product costing and pricing constructs in the 2002 Power Rate Case. When ex-parte rules became effective, BPA's contract negotiation meetings with its potential Slice customers were opened to the general public. Meetings since then have provided all parties an opportunity to understand and comment on the development of the Slice product.
- On August 25, 1999, BPA published a Team Report that provided responses public comments on the February 1999 Detailed Product Description.
- Since March 1999, BPA has been conducting regional training sessions entitled "Slice 101" and "Hydro 101," in order to enhance the region's understanding of the basic concepts underlying the Slice product and operation of the federal hydrosystem. Training sessions have been held in Portland, Seattle, Spokane, Eugene, Idaho Falls, and Burley.

We appreciate the widespread regional interest in the Slice product and look forward to seeing you at the public meeting on October 15. If you cannot attend the meeting, but would like to submit written comments on the issue paper, please send your written comments by October 15 to Bonneville Power Administration, P.O. Box 12999, Portland, Oregon 97232. You can also send comments to the e-mail address which is: slicecomments@bpa.gov

Sincerely,

Philip A. Mesa
Slice Product Manager