Department of Energy



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

POWER SERVICES

July 2, 2008

In reply refer to: PS-6

To Parties Interested in Regional Dialogue Contracts:

Progress has been made toward meeting the goal of signing new power sales contracts since my last letter to you in June. Customer representatives are working long hours on the Tiered Rates Methodology (TRM) proposal. We appreciate their diligent efforts. However, there have been some developments that I should update you on.

The customer representatives involved in the review of the TRM have asked for more time on that process and another extension of the deadline to conclude contract discussions. BPA has reluctantly agreed to this request based on a commitment from customer representatives to meet the following revised schedule, and in the interest of achieving a better TRM document and, therefore, better contracts. The TRM review will conclude by July 8 and contract discussions will conclude by July 25. BPA will release the final contract templates by August 18 and contracts will be executed by December 1.

BPA will hold contract discussions between July 14 and July 25. For further information regarding upcoming workshops, please check the workshop schedule regularly at http://www.bpa.gov/power/pl/regionaldialogue/implementation/meetings/. We have also made some changes to the templates since the last version sent on June 17. These versions will form the basis for the final discussions and are available at http://www.bpa.gov/power/pl/regionaldialogue/implementation/documents/.

If you are unable to attend the workshops, we will accept and consider written comments sent to Nita Burbank at nmburbank@bpa.gov by July 15, as previously requested, to allow time for BPA to consider them during final discussions that will conclude July 25.

If you have any questions, please contact your Power Account Executive, Constituent Account Executive, or Tribal Account Executive.

Sincerely,

/s/ Mark O. Gendron

Mark O. Gendron Vice President Northwest Requirements Marketing