Larson, Cheryl A - PS-6

CON - 030

Subject:

FW: Delivery: Contract Comments

From:

King, Larry D - PSE-BURLEY

Sent:

Friday, May 09, 2008 9:50 AM

To:

Burbank, Nita M - PFP-6; Latham, Dale S - PSS-6

Cc: Subject: Thompson, Garry R - PSE-SPOKANE Delivery: Contract Comments

Dile Monson, Superintendent Electric Department, City of Burley

1. Regarding noticing meter changes and additions, he read the language as applying to retail, not wholesale metering. The same issue came up in the contract workshop and AE training. Language is already being drafted to clarify.

2. Another concern was the lack of language in the contract parallel to the RUS approval for the Idaho Cities for Idaho cities to have the time necessary to resolve the cloud on their authority to sign long term

contracts. He now knows we are working on it.

3. The asymmetrical language regarding interest on late customer payments and BPA payments to customers is unbalanced to the point of being unreasonable (section 13(c) and 13(d)) of the contract. The City believes the interest treatment should be substantially the same whether BPA is collecting from the customer or the customer collecting from BPA. This has come up in past discussions and I expect it to come up again after contracts are offered.

4. Pursuant to section 14(b)(1)(A). The City cannot comply unless the 30-day deadline means thirty days after the City Council approves the annual audit report from which the annual report will be developed.

The concern is the report is due 30 days after the close of the Fiscal Year.

Larry D King

Account Executive

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