

## **Department of Energy**

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

POWER SERVICES

April 7, 2008

In reply refer to: PS-6

To Parties Interested in Long-Term Regional Dialogue Policy Implementation:

The Bonneville Power Administration today is releasing the draft Load-Following and Block Regional Dialogue contract templates for public review. Draft contract templates for Slice/Block, RPSA and NR Block are expected to be released within a week. This release kicks off a 3-month process in which BPA will work with customers and other interested parties to review and refine contract language. This process is a critical step on the path to finalizing the templates by August 1 so that each customer and their Account Executive can develop an individual contract based on the templates.

The July 2007 Long-Term Regional Dialogue Policy and Record of Decision (ROD) laid the groundwork for these contracts. Parties have spent many collaborative hours working through the additional details needed to finalize the process, bringing us many steps closer to providing long-term certainty for the region.

I thank you for all the hard work that has occurred to date and in advance for the significant effort that must occur next. The draft contract templates represent the progress we have been able to make together thus far. We will begin workshops on April 14 to refine these templates. If you would like to submit feedback outside of the workshop process, please do so by May 9. BPA will respond to input and feedback received with revised templates available in early June. Although there will be one last opportunity to review the near-final templates in early June, it is critical that we resolve any significant issues by mid-May in order to ensure each customer has 4 months between August 1 and December 1 to make their final product choice and consult with their governing board. See the attached schedule for more detail.

## **Next Steps**

BPA is continuing to work on the Tiered Rate Methodology and plans to publish the initial proposal in the Federal Register on May 2 officially starting the 7(i) ratesetting process. The final record of decision on the TRM is expected to be issued in late September 2008 to allow time for customers to see the final ROD as they are preparing to sign contracts.

BPA also plans to prepare a draft Supplemental Policy and ROD to address updates and revisions in policy direction since the July 2007 Policy and ROD, to reflect the extensive regional discussions that have occurred since then. BPA plans to release the draft Supplemental Policy for comment in June and plans to issue a final Policy and ROD in August.

## **Opportunity to engage**

A number of workshops have been scheduled to discuss the content of the draft contract templates. The first workshop will be Monday, April 14, from 10 a.m. to 4 p.m., in the BPA Rates Hearing Room. Additional workshop dates are listed on the BPA Web site at <u>http://www.bpa.gov/power/pl/regionaldialogue/implementation/meetings/</u>. Please check the site regularly for changes to this schedule.

If you would like to submit feedback outside of the workshop process, please send it to your Account Executive or Nita Burbank at <u>nmburbank@bpa.gov</u> no later than May 9, 2008. All feedback received will be posted on BPA's Web site at <u>http://www.bpa.gov/power/pl/regionaldialogue/implementation/documents/</u>.

Copies of all templates are available on the BPA Web site at

<u>http://www.bpa.gov/power/pl/regionaldialogue/implementation/documents/</u>. Additionally, while reviewing the draft templates, it may be helpful to reference BPA's Product Guidebook, which is available on BPA's Web site at http://www.bpa.gov/power/PL/RegionalDialogue/Implementation/Documents/2008/2008-02-

<u>08\_RDproductsratesguidebook\_Revised.pdf</u> and the March 7 version of the draft TRM at <u>http://www.bpa.gov/power/pl/regionaldialogue/implementation/Correspondence/Materials/2008-03-07\_DraftTRM.pdf</u>.

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, NW Requirements Marketing

