



Department of Energy

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

POWER SERVICES

November 28, 2007

In reply refer to: PFR-6

To Customers, Constituents, Tribes and Other Regional Stakeholders:

I would like to inform you of a delay in Bonneville Power Administration's (BPA) proposed schedule for the 2007 Supplemental Wholesale Power (WP-07) Rate Case that will revise its power rates for Fiscal Year 2009 in response to the rulings from the Ninth Circuit Court of Appeals in May and October of this year. This schedule also encompasses the process for dealing with proposed revisions to the Average System Cost (ASC) Methodology.

At a workshop on October 10, 2007, BPA indicated that it expected to hold a "no surprises" workshop on its response to the Court's decisions on November 26 and to publish two Federal Register Notices on December 3, 2007, that would re-open the WP-07 rate case and announce proposed revisions to the ASC Methodology. However, it has become clear that BPA needs more time to review the options available to respond to the Court's rulings in the most legally sustainable and technically supportable manner.

At this time, I expect that BPA will publish Federal Register Notices for the Supplemental rate case and the proposed revisions of the ASC Methodology in the latter half of January. Once our schedule becomes clearer, I will let you know the dates for a "no surprises" workshop, the Federal Register Notices, and other key steps in the Supplemental rate proceeding and ASC revision process.

We may also schedule additional workshops before publication of the Federal Register Notices. In addition, we are open to requests from parties to discuss the issues to the extent staff time allows.

Please feel free to call me at (503) 230-3685 if you have any questions or concerns.

Sincerely,

/s/ Raymond D. Bliven

Raymond D. Bliven
Power Rates Manager