



Public Power Council

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April 11, 2003

VIA E-MAIL AND U.S. MAIL

Dennis Oster
Account Executive
Bonneville Power Administration - TBL
7500 NE 41st Street
Vancouver, WA 98662

Re: Bonneville Power Administration's Public Process for Preserving Existing
Transmission Rights ("Contract Lock").

Dear Dennis:

Two documents are attached. One is a draft replacement agreement for NT service; the other is a draft replacement agreement for PTP service. These documents are the products of lengthy discussions among Northwest public power representatives. In general terms, we first propose to preserve the minimum, essential rights and obligations that define existing transmission customers' rights to use the Bonneville transmission system. We do not incorporate the current tariff in a wholesale fashion. All rights and obligations not preserved in the contracts would be subject to change.

Second, it is important to us that the contracts be enforceable, and we have made some progress toward contracts that meet that objective. Throughout our discussions, we were mindful that the details of the RTO West proposal are far from final and that we have incomplete knowledge of BPA's intentions with regard to RTO West.

We look forward to discussing these drafts with you on April 15. Our hope is that we can find common ground for future discussions. If you have questions or have difficulty opening the documents, please let me know.

Sincerely,

/s/

Nancy Baker
Senior Policy Analyst
On behalf of Public Power Council, Northwest
Requirements Utilities, Western Public Agencies Group,
Public Generating Pool, Seattle City Light, Idaho Energy
Authority and Snohomish County PUD

Enclosures (2)

Cc: Dennis Metcalf