Department of Energy

Bonneville Power Administration
P.O. Box 491
Vancouver, Washington 98666-0491

TRANSMISSION BUSINESS LINE

December 6, 2002

In reply refer to: LT-7

To: Transmission Customers, Constituents, Tribes and Interested Parties

Subject: Notice of Application of Ex Parte Communications Rule to Rate Proceeding

In mid-January 2003, the Bonneville Power Administration (BPA) Transmission Business Line (TBL) will begin a Northwest Power Act section 7(i) ratemaking hearing (proceeding) to adjust its transmission and ancillary services rates. This proceeding will follow the publication of a 2004 Transmission Rate Case Federal Register Notice on December 23, 2002.

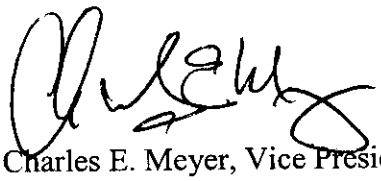
This letter is to advise that effective Tuesday, December 10, 2002, section 1010.7, Ex Parte Communications, of BPA's Rules for Procedure Governing Rate Hearings applies to this proceeding. The prohibition on ex parte communications will continue in effect until the Administrator signs the Record of Decision concluding the proceeding.

This ex parte rule states that no party or participant in the proceeding shall submit ex parte communications to the Administrator, or any BPA employee, regarding any matter pending before BPA in the section 7(i) proceeding, and that neither the Administrator or any BPA employee may request or entertain such communications. The rule generally requires that all oral or written communications with BPA must be on the record or occur after reasonable advance notice has been provided to the public. Limited exceptions to the ex parte rule allow non-substantive communications between BPA employees related to the ratemaking procedure. Some of the exceptions to the ex parte rule include communications relating to matters of procedure, exchanges of data in the ordinary course of business, and communications related solely to requests for supplemental information or data necessary for an understanding of factual materials contained in documents filed during a proceeding.

BPA's Power Business Line (PBL) will be considered a party to the rate case. Therefore, PBL employees, and PBL witnesses and attorneys, will be subject to the same restrictions as all other parties to the rate case. As a party, however, they may communicate regarding the rate case with other parties.

If you have any questions regarding this ex parte notice, please contact Barry Bennett at 503-230-4201.

Sincerely,



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