



Department of Energy

Bonneville Power Administration
P.O. Box 3621
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In reply refer to: PS-6 & TS-DITT-2

To Regional Customers, Stakeholders and other Interested Parties:

Subject: Prioritization of Options for Service to Southeast Idaho

The Bonneville Power Administration (BPA) has completed an initial prioritization of potential service arrangements for customer loads located in southeast Idaho. This prioritization marks an important step in the process of finding a replacement method of serving BPA's preference customers in southeastern Idaho post-2016.

From among the six potential service options BPA is currently considering, BPA has identified the option of Boardman-to-Hemingway with Transmission Asset Swap as its top priority for pursuit in Fiscal Year (FY) 2013 and beyond. This option has the potential to keep BPA costs low relative to the other options considered, to increase reliability of the Northwest transmission system, and was supported by many of the comments received during the August public review of this issue.

This prioritization does not constitute a final decision on the method of service to BPA's Southeast Idaho loads, and as such, BPA will continue to evaluate other options while analyzing the Boardman-to-Hemingway with Transmission Asset Swap. In addition, since Boardman-to-Hemingway is not expected to be available for load service in June of 2016 when the current arrangements expire, BPA plans to focus on shorter term arrangements to provide interim load service.

More information on the Boardman-to-Hemingway with Transmission Asset Swap option, or any of the five other options, may be found on BPA's website for Southeast Idaho Load Service, located at: www.bpa.gov/goto/SoutheastIdahoLoadService.

BPA looks forward to continued coordination with stakeholders on this important topic over the next fiscal year and beyond. If you have questions pertaining to BPA's exploration of options for service to southeast Idaho loads or if you need more information, please contact your Transmission or Constituent Account Executive. Thank you for your interest in this important regional load service issue.

Sincerely,

/s/ Mark O. Gendron

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/s/ Cathy L. Ehli

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