

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF  
RESPONSE TO DATA REQUEST

DATE PREPARED: February 8, 2005  
CASE NO.: UG-040640, et al.  
REQUESTER: Dennis Moss, ALJ

RESPONDER: Staff

**BENCH REQUEST NO. 10:**

During the evidentiary hearings, we received Exhibit No. 107, a letter dated December 6, 2004, from Dennis Metcalf, BPA TBL Rate Case Manager in the 2006-2007 Transmission Rate Case, concerning possible settlement of the BPA proceeding. Both PSE and Staff refer to Exhibit No. 107 in their briefs and offer argument concerning its significance. Industry trade press reports published after Reply Briefs were filed suggest that there have been subsequent developments in this regard. The parties may, in response to this Bench Request, inform the record about these developments and of their respective views concerning the significance, if any, of any relevant post-hearing developments.

**RESPONSE:**

On February 2, 2005, the United States Department of Energy, Bonneville Power Administration (BPA), filed notice of its 2006 Transmission Rate Case. (Federal Register, Vol. 70, No. 21; copy attached) The notice indicates that BPA's Transmission Business Line (TBL) reached a Settlement Agreement with most of its customers on January 11, 2005. The Settlement Agreement will be subject to a public hearing process commencing February 14, 2005. (Attachment at 5424.)

These developments do not alter Staff's position on recovery of BPA wheeling charges. The Settlement Agreement has not been signed by all of the TBL's customers. Thus, whether through challenge by non-signing customers or other parties or participants in BPA's hearing, the Settlement Agreement is subject to change. The TBL is also not bound by the Settlement Agreement if any party objects. It may continue to defend the Settlement Agreement or submit a revised proposal, in which case, all signatories are not bound by the Agreement. (Attachment at 5425.) Finally, FERC approval has neither been requested nor received. BPA's proposed case schedule does not contemplate FERC involvement until July 2005 at the earliest. (Attachment at 5424.)

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