

**Questions and Answers from
Renewables Program
Power Function Review Workshop
March 8, 2005**

Q. Provide a list of offsets to the generating projects for renewables.

A. This information was provided in workshop presentation. See slide entitled “Details of Renewables Budget” lines 25 and 26. (Slide 12 of the Technical Workshop, Slide 10 from the manager’s workshop.)

Q. Is the Fourmile contract language available?

A. Yes – it is a public document. See Attachment #1.

Q. The costs of the Fourmile Hill geothermal project are highly dependent on transmission. If you can’t get a transmission contract, who is liable?

A. BPA is liable.

Q. What is the difference between what customers can do to spend the Renewables discount and what BPA would use it for?

A. There is currently a list of renewables activities that qualify for the C&RD program. Bonneville is currently reviewing this list in an effort to determine if any changes would be merited for the next rate period. Current thinking is that BPA would set aside \$6 mm for spending on renewables under the auspices of the Conservation Rate Credit Program. Any unspent portion of the \$6 mm would then be available to BPA to spend on facilitation activities similar to those under the \$15mm/year Renewables Fund. To this end we would favor those activities/projects, which benefit a broad range of customers and enable the most renewable energy within the PNW.

Q. How will BPA’s renewable program fit with WA legislation that currently does not have hydro as a renewable? Any input would be helpful.

A. Neither of Washington’s most recent renewable portfolio bills made it out of Committee. However, HB 2103 did make it out of committee. HB 2103 requires the state of Washington to include hydro in any future renewable definition. BPA’s current definition of renewables includes hydro located outside of the Council’s Protected areas and energized after May 1, 1999 (see the C&RD Manual). We have not determined if this definition needs updating for the next rate period and encourage feedback on this issue.