

Policy Meeting  
Risk Mitigation in the FY 2007-2009 Rate Period  
August 11, 2005  
1 p.m. to 3 p.m.  
BPA Rates Hearing Room, Portland, OR  
(To participate by phone, call Cynthia Jones at (503) 230-5459)

**Purpose of the Meeting**

This meeting is a follow-up to the June 23 Bonneville Power Administration (BPA) meeting with customers. It will focus on alternative approaches to handling risk identified in the June 23 meeting, especially those that involve BPA's financial relationship with other governmental entities, including Energy Northwest (EN), U.S. Treasury, and other parties such as customers and commercial institutions.

The purpose of the meeting is not to select a particular risk mitigation tool(s), but rather to explore alternatives and assess the feasibility of certain tools that could be used to reduce the level of the adopted base power rates for FY 2007-2009, and/or the amount of a future conditional rate adjustment that may be needed during a fiscal year.

**Agenda**

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| 1. | Welcome/Introduction   | Paul Norman, BPA                              |
| 2. | Introductory Remarks   | Ted Coates, EN<br>John Saven, Joint Customers |
| 3. | Discussion of Energy Northwest/BPA Cash Flow Flexibilities   | All   |
|    | a. Summarize Joint Customer ideas regarding June billing date and use of EN available cash during second half of fiscal year.                                      |   |
|    | b. Review of statutory parameters, industry standards, financial policies, or political landscape impediments (if any) to BPA using potentially available EN cash. |   |
|    | c. Discussion of mechanics for accelerating June billing date and potentially using EN available cash.   |   |
|    | d. Initial assessment of feasibility from Energy Northwest's perspective.  |   |
|    | e. Other ideas for EN/BPA cash flow flexibility  |   |
| 4. | Updates on Other Liquidity Topics<br>Treasury Line of Credit, Advance Payment of Customer Bills,<br>Use of Commercial Institutions, other?                         | BPA/All                                       |
| 5. | Wrap-up and Next Steps   | All   |