

Bonneville Power Administration Regional Dialogue Public Meetings

**Seattle, Washington
August 17, 2004**

**Mountaineers Headquarters, 6 - 9 p.m.
Approximate Attendance: 74**

Opening Remarks

Senior vice president Paul Norman (BPA) welcomed the audience to the first of six public meetings BPA is holding on its “Regional Dialogue FY 2007-2011 Policy Proposal.” This proposal addresses the issues BPA has to decide in order to make decisions about rates and resources for the 2007-2011 period, he said. Norman noted that BPA is also proposing an important long-term permanent policy change: to limit BPA’s future sales of firm power at the lowest cost-based rate to approximately the capacity of the existing Federal system. He said that a second phase of BPA’s Regional Dialog decision making will occur next year, addressing additional long-term issues that must be decided so that new long-term contracts extending past 2011 can be put in place. **Helen Goodwin, BPA’s Regional Dialogue project manager**, also welcomed the attendees and said since so many people had signed up to speak, she would forgo summarizing the proposal in favor of just listening to the comments from the audience.

Jorge Carrasco, Superintendent of Seattle City Light, said this is an important opportunity for City Light to recognize “the efforts of BPA to extend an arm to all of its customers.” The way the Regional Dialogue is being developed is a positive reflection of the importance BPA puts on its customers, he stated. We want to underscore that we agree with the joint customer approach proposed for contracts beyond 2011, and that we think allocating BPA resources to customers is appropriate and the right thing to do, Carrasco said. I commend you on the decision to defer tiered rates and for your determination to continue your conservation programs, he stated. They are an excellent way to promote conservation, and through their use, we’ve been able to offer customers incentives, and we’ve had good results, Carrasco added. I encourage BPA to use conservation and renewable resources in meeting its future loads, he said.

In the past few years, BPA has made a concerted effort to control its costs and offered forums through which customers could review its cost initiatives, according to Carrasco. We applaud that approach and your intention to “elevate fish and wildlife restoration to mission-critical status,” he said. Carrasco commended BPA’s Senior Customer Account Executive Stuart Clarke, calling him “an excellent local representative and a good partner to Seattle City Light.”

Jack Speer of Alcoa said his company has two plants in Washington, one in Ferndale (Intalco) that is completely dependent on BPA power, and one in Wenatchee that is partly dependent on power from BPA. BPA is currently changing directions, going from “an old vision” of mixing Federal hydro power with thermal costs and serving customers at a melded rate, to a “new vision” aimed at establishing tiered rates to serve a fixed amount of load at a low rate and load growth at an incremental rate; allocating low-cost resources; and meeting environmental obligations, he stated. Alcoa generally supports the new direction, Speer said. It will make BPA rates more stable, help customers, ensure Treasury repayment, and give BPA a stronger role in the Northwest, he stated.

Since you say it will take until 2008 for BPA to make these changes, and Alcoa’s contract with BPA expires in 2006, we will need a short-term contract so that we can continue to provide jobs and help the local economy, Speer said. Alcoa has been manufacturing in the Northwest using BPA power since 1940, and it would be unfair policy to stop serving Alcoa, he stated. It would be a tragedy to put Alcoa out of business, Speer said.

BPA should require a strong credit assurance from its customers, and we can provide that, he continued. In addition, Alcoa can help BPA by providing some amount of interruptible power from the existing Federal system and can help keep overall BPA rates down for all customers, according to Speer. BPA should offer Alcoa a short-term contract next year with power priced at an “equitable rate,” in accord with the provisions of the Northwest Power Act, he said. Some in the region will not agree with it, but BPA needs to make this tough decision, which will prevent “balkanizing” the Northwest and will keep us together so we can implement a long-term vision, Speer concluded.

Toni Potter of the League of Women Voters (LWV) said the LWV is committed to increasing renewable energy and energy efficiency because that will lower electricity costs, provide jobs, and improve the environment. We are pleased that in its proposal BPA commits \$21 million for renewables development, she stated. BPA must be the one to provide seed money for renewable projects, Potter said. She referred to the Northwest Power and Conservation Council’s power plan, which says there are 2,800 average megawatts (aMW) of cost-effective energy efficiency available in the region, and commended BPA for stating it will follow that plan’s recommendations in providing its share of energy efficiency. Potter recommended that BPA provide a backstop if utilities fall short of their conservation targets and that BPA’s proposal include funding for low-income weatherization. The LWV is concerned about global warming, she noted. In 2001, when the region was short on power, it had to buy power from fossil fuel facilities -- “let us never have to do that again,” Potter urged.

Daren Krag of the International Association of Machinists and Aerospace Workers (IAMAW), who works at Alcoa’s Intalco plant in Ferndale, pointed out that once BPA served 10 smelters, but now it serves only two. Intalco employees are now working on a month-to-month basis, and they don’t know from month to month if they will be working, he said. We ask BPA to continue to make affordable power available to financially responsible Direct Service Industries (DSIs) like Intalco, Krag stated. While BPA and its customers are looking for a long-term solution for the region, we are seeking short-term and long-term

contracts to be provided to the DSIs, he said. Aluminum employees have paid a large price, and a lot of jobs have been lost, Krag stated. "They have given enough, and we ask BPA to make sure there's a place at the table for us," he said.

Joel Hanson of the United Steelworkers of America said, we applaud BPA's commitment to \$21 million of renewable resources because BPA has the economies of scale to get such projects done. We ask you to undertake these projects with union workers to help local economies, he stated.

Ed Henderson of the Mountaineers welcomed the audience to their facility and said the Mountaineers are pleased BPA is conducting the Regional Dialogue. It is our opinion that BPA is obligated to protect the environment and fish and wildlife, and this can be accomplished through developing renewable resources and energy efficiency, he said. They are environmentally sound and economically beneficial, Henderson added. There are many jobs in the renewables and energy efficiency sectors, he said. I hope the Intalco employees who have lost their jobs can find new jobs in renewable energy, Henderson stated.

Dave Watkins of the Holiday Inn in Seattle recounted how BPA and Seattle City Light programs have helped their hotel invest in new lighting, air conditioning improvements, and other energy-saving efforts. As a result, we've had a 6 percent increase in occupancy, he stated. We've had very good results, and we thank you and urge you to continue these kinds of energy-efficient projects, Watkins said, adding "it helps hotels and it helps the economy."

Pat Flaherty of the IAMAW, who works at Intalco, said that unfortunately, there aren't many family-wage jobs for 650 people in renewable energy. We have gone through tough times, and only one-third of our facility is still operating, he pointed out. We have got to save rural jobs in small communities, Flaherty said. If we lose more jobs, it will be devastating to our local community, he added. With the BPA buyout we received, we were able to give \$1.2 million back to the community, according to Flaherty. Employees contributed \$300,000 to community organizations, such as the United Way, he said. We are seeking an extension of the contract we have now at the same amount of power, and we are hoping to get a piece of interruptible power too, Flaherty stated. We've given a lot for fish recovery, \$200 million over the last 20 years through the purchase of BPA electricity, and we're good neighbors, he said.

Lee Miley of Seattle University said the university makes energy conservation part of its overall mission. With Seattle City Light and BPA as partners, Seattle University has been able to improve mechanical and electrical systems in its buildings, improve lighting, and install energy-savings sensors for various systems, he reported. Now we find students showing up on time or early in order to be the ones who activate the occupancy sensors that turn lights on, Miley said. We now have better energy management control and better customer comfort, he noted. As a result of incentive programs that we've used over the past two years, we've reduced our energy consumption and are now saving \$46,000 annually, and it wouldn't have been possible without City Light and BPA, Miley said. BPA funding is "the pivot point" that convinces administrators to put dollars into energy conservation programs, he added.

Bert Gregory of Mithun Partners, an architecture firm, thanked BPA for being a good steward of the economy and the environment. He voiced strong support for BPA's energy conservation programs and described architecture projects that his firm has been involved in that used energy incentives through BPA and City Light programs. Gregory praised programs offered by the Northwest Energy Efficiency Alliance and said that the Seattle Lighting Lab is a great resource. He expressed strong support for aggressive renewables development with neighborhood-based distribution and for BPA's environmental efforts, especially to restore fish habitat and combat global warming. I appreciate your leadership -- what you are doing is important for the 21st century, Gregory concluded.

Vicki Henley of the IAMAW pointed out that the aluminum industry worldwide is "up and rising," but due to power prices, it is going away from America. Our lives have all changed, and we are here to beg for affordable power, she said. We need to have power so we can run our plant -- we need affordable power so we can "stay in the race," Henley stated.

Rich Feldman of the King County Labor Council said he is concerned about jobs and the impact of BPA decisions on jobs. Stable rates are the way that we can maintain a competitive Northwest economy, he stated. If new load growth is met mostly by natural gas, we will be subject to prices set by the Chicago Board of Trade and will be "jerked up and down," Feldman said. The alternative is having new load growth met by renewables and energy efficiency, and BPA needs to do that by providing a sustained and centralized focus on renewables and energy efficiency, he stated.

Feldman advocated a sustained focus on clean renewable energy, pointing out that by having that, Europe is dominating in the renewable energy and energy efficiency sectors in terms of job growth and worldwide sales. BPA could make the Northwest the center for the development of these energy sources of the future, but it requires a continued, sustained focus, he said. I support keeping the jobs at the Intalco smelter -- they are worth keeping and are important to the local economies, Feldman concluded.

Joelle Robinson of Climate Solutions referred to a *New York Times* article that "presents an alarming view of climate change in California." The article reports on a new study that predicts there will be a sevenfold increase in heat-related deaths in California and that climate change will imperil the wine and dairy industries, she said. Robinson said that BPA's mission "has to be more than just presiding over regional food fights over power issues." BPA should be presiding over the transition from fossil fuels to renewables, she stated.

Robinson said that University of Washington scientists project a decline in the region's snowpack of 60 to 70 percent by 2050. BPA is the source of talent in the region to help find a way to cope with these impending problems, she stated. Robinson advocated launching a new "Apollo project," espoused by Washington Congressman Jay Inslee, to accelerate the transition to clean energy in the region. We applaud BPA's "tentative commitments" to energy efficiency and renewables in the Regional Dialogue proposal, she said. We hope you will more aggressively position the agency as the leader in this field and take advantage of

the opportunity to make a difference on the issue of global warming so future generations can benefit from your decisions, Robinson concluded.

Dale Brandland, Senator from Washington's 42nd District, which includes Ferndale, reminded the audience that the issue with the Intalco plant is not just the 460 jobs the plant provides, but that those jobs represent 460 families. Intalco employees give back money to the community, and Intalco is "one of the best corporate citizens we have," he said. There are a lot of things to consider about the "human side" of the decision, Brandland pointed out. For example, if the jobs are lost, the school district, now rated one of the best in the country, would go to one of the worst, he said. Management and the union at the plant are standing side by side, and both have had to make concessions, Brandland stated. There's room for a balance between industry and the environment, and I hope you will give them a fair shake, he said.

Doug Erickson, State Representative from Washington's 42nd District, said it is important to remember that energy is an industry that is important to rural communities. We as legislators are working to put Washington back to work and to make Washington's transportation system work, he stated. If the state's transportation system is going to work, I can't have all the jobs in downtown Seattle, Erickson said. I need a diversified economic base and to have rural industries operating throughout the state, he indicated. I need to have jobs in Ferndale to support schools and the local economy, Erickson stated. Rural industry drives a major part of our communities and our state, he said.

Chuck Eberdt of The Energy Project said low-income households have difficulty affording power and that BPA has been a good partner in providing energy conservation programs to these households across the region. He urged BPA to be more explicit in its level of commitment to these activities in its proposal. There was little or no public utility support of low-income weatherization programs until BPA stepped up, Eberdt said. Through BPA, we've established a good standard for investment in low-income energy efficiency programs in the region, he noted. Our energy future is a regional issue, not a matter for individual utilities to decide, according to Eberdt. If BPA yields resource acquisition responsibility to utilities, their obligation to perform must be made a part of their contractual access to power, he stated. BPA is key to seeing that the provisions of the Northwest Power Act are upheld, Eberdt concluded.

Jim Edwards of Graybar Electric said that without BPA support and funding, his company "wouldn't be where it is today." He described how Graybar worked with the Holiday Inn on its energy-efficiency improvements, and how tourists have noticed what's been done and are motivated to come back to the hotel for subsequent visits. Energy efficiency creates jobs, Edwards said. The Lighting Design Lab is "a very big tool" and has helped us -- it allows us to take customers to just one location and show them a whole range of the types of lighting that can be done, he pointed out. Edwards encouraged BPA to expand its energy efficiency program and "keep going as long as you can."

Ash Awad of McKinstry Company, a construction company, said what BPA and Seattle City Light have done in conservation has had a positive impact on the company and its

customers. There is a need for consistency in your message on energy efficiency and renewables, he said. There needs to be a clear statement about the programs and consistency from year to year, Awad stated. The recession has hit the construction industry hard, but we've been able to keep 50 engineers employed year after year, he noted. This is "real work and real jobs," and we've delivered \$30 million of conservation projects and employed 200-300 tradespeople as pipefitters, plumbers, and the like, Awad said. We've worked with school districts and with small PUDs that get assistance from BPA, he noted. Conservation and renewables are important for the environment, but they also deliver jobs, Awad stated.

Don Andre of Northwest Sustainable Energy for Economic Development expressed support for continued BPA investment in renewable energy. You've had a creative and steadfast approach, he said. Andre pointed out that large-scale wind projects are competitive now, and he commended BPA for providing integration services for wind projects and for its work on non-wires solutions. Hold steady and stay on the clean energy path, he urged. You have strong and deep support around the region for what you are doing, Andre said.

Hugh Diehl of IAMAW said that the workers at Intalco need to be part of the short-term and the long-term solution. How do I educate my children if I don't have a job? What do our schools and communities do? he asked. We want to be able to support our schools and our community, Diehl said. He pointed out that Intalco and its employees donated over \$82,000 to the Whatcom County United Way in years past, but this year, that number was about \$8,000. We are ashamed of that, Diehl said. Let's work together to find a solution for the Pacific Northwest, he urged.

Bill Arthur, speaking as a private citizen, said BPA has to maintain its role as the acquirer of renewable resources. I've no confidence in the individual utilities in the region, he stated. The utilities vacillate between building too many plants when they aren't needed to "flaccidness" when it comes to investing in conservation, according to Arthur. Except for Seattle City Light and the Eugene Water and Electric Board, the utilities have left the field and haven't done enough conservation, he said. Too often, the region has balanced its power books on the backs of the salmon, Arthur stated. BPA has to be an active participant in the market to buy renewables and achieve energy efficiency and to make sure that if utilities don't do it, that BPA does it for them, he said. Investments in low-income weatherization are vital, Arthur added.

BPA has to build more commitment to environmental protection into its activities, especially the obligation to protect, mitigate, and enhance salmon, he said. The latter is an area where BPA doesn't have a good track record and has had to be taken to court, Arthur stated. Salmon recovery needs to be a vital part of what you do, just as your investments in energy efficiency and renewables are, he said.

Al Foss of the Seattle Department of Parks and Recreation encouraged BPA to continue its energy conservation program. He described "what we do in the trenches" when they get funding from Seattle City Light to do energy-saving projects. For example, City Light gave us \$96,000 to change lighting fixtures at a tennis center, and as a result, we are saving over 700,000 KWh every year, Foss pointed out. And we hope to do more, he added.

Loren Baker of Power Resource Managers said while he appreciates BPA's emphasis on short-term problems, there's a greater need to look at the long-term issues. The Northwest Power and Conservation Council, the joint customers, and others, like the Washington PUD Association, agree there's a need to focus on the long term in order to make the short-term arrangements work, he stated. The good news is that there is a lot of consensus on the issue of allocation, and customers will tell you more about that at a meeting next week, Baker said. We agree with BPA's proposal on excluding tiered rates in the 2007-2011 period, having a three-year rate period, and service to new publics that request service by June 30, 2005, he continued. We would like to have an additional collaborative forum to talk about budgets prior to the rate case, Baker said. We think the \$15 million you propose as an annual cost for renewables should be for current projects, not future projects, he stated. Baker pointed out that public utilities have funded renewable projects, such as the Nine Canyon wind project.

We need to work hard to bring rates down, he stated. It would be best to decide what we want to do as a long-term strategy and then decide if a change in the law is needed, Baker said. We think that customers whose contracts expire in 2006 should be able to choose whatever product they want. We also think BPA should allow existing Slice customers to modestly increase their Slice percentages and reduce their block, Baker said. The result would be neutral to BPA. Baker also said in conclusion that BPA should take a positive look at the KEMA report, possibly reorganize and look at its management structure.

Dennis Heller of the Northwest Energy Efficiency Council (NEEC) said his group appreciates the support for energy efficiency that has come from BPA. BPA has delivered the equivalent of a nuclear plant in clean energy to the region, he stated. We support BPA's decision to commit to the targets for cost-effective conservation in the Northwest Power and Conservation's Council's energy plan, Heller said. BPA must continue financial support for low-income weatherization, he added.

Conservation must be pursued and acquired at the lowest possible cost, and the energy-efficiency business community can offer valuable perspective to this conversation, Heller said. He endorsed BPA's efforts to find non-wires solutions and expressed a willingness to participate in an ongoing dialogue with BPA.

Matt Younger of Keen Engineering commended BPA on its efforts and incentives for energy conservation. We've taken advantage of them, and they have helped our Seattle office grow, he said. We've helped building owners take advantage of rebates, and we've been able to study new and innovative ways to save energy, for example, the use of photovoltaic panels, Younger noted. He urged BPA to keep on supporting Seattle City Light, which he said is "also doing a great job."

Eric Hausman of the University of Washington explained that the university has been working with Seattle City Light on energy conservation projects since the 1990s and that the focus has intensified since the energy crisis. Since the 1990s, the university has invested in conservation measures, such as retrofitting and HVAC improvements, and as a result, the university is now saving 54 million KWh and about \$3 million per year, he said. Without

your support, we couldn't do these kinds of projects, Hausman stated. We hope that BPA will continue to allocate resources to conservation, he added.

Bob Cowan of Fred Hutchinson Cancer Research Center, who manages their energy conservation programs, said a small investment by BPA can be leveraged in a way that creates jobs, keeps rates low, and puts money back into consumers' pockets. "Everyone wins," he said. Without your support, many energy conservation projects won't get done, Cowan stated. The biotech industry uses a lot of energy, he noted. The Puget Sound, with its temperate climate and some of the lowest rates in the country, attracts such industries, Cowan said. But with those low rates, our payback is higher than in other parts of the country like Southern California, he stated. Our energy conservation projects won't get off the drawing board without your continued support, according to Cowan. This is a golden era for energy conservation, and we hope you will increase your leadership in this field, he concluded.

Jim Walker of Fred Hutchinson Cancer Research Center explained the kinds of energy conservation projects the center has done. As a result, we are saving 15 million KWh per year and our power costs are \$1 million lower, he said. That's money we can use to fight cancer, Walker stated. He thanked BPA and urged the agency to continue its support of the energy conservation program.

Tom DeBoer of Puget Sound Energy said his utility looks forward to commenting on the Regional Dialogue proposal in writing. We also look forward to participating with you in developing a long-term solution to power supply issues, he added.

David Kerlick, a retired physicist, said there is a need for consistent, focused investment in conservation. "That's a no-brainer," he said. Renewables need attention too, and BPA has a unique role in allowing small-scale wind projects to come on line, Kerlick said. I'd like to see BPA go "from lip service to line items" in its proposal, he added. Kerlick urged BPA not to cut spill because doing so would cut jobs in the fishing industries. As a nation, we could rely on renewables for 20 percent of our energy, he said.

Larry Dittloff of the Washington Convention and Trade Center said the convention center was built in 1988, and that since then, they have done four energy conservation projects, including making lighting improvements. Not only does our facility look better, we have saved \$182,000 annually, and we've used those savings to keep our rates down for our clients, he noted. As a result, our occupancy rates have gone up 20 percent, and that is due in large part to our ability to keep our rates competitive, Dittloff said. Without this program, none of that would have happened -- your program is working, he stated.

Jeremy Smithson of Puget Sound Solar said when it comes to renewables, the lowest cost is not always the best deal. Solar energy is the only energy with an unlimited future and the only truly distributed energy, he stated. Germany gets 20 percent of its power from renewables, he noted. Japan has installed 500 MW of solar and is aiming to install 4,800 MW by 2015, Smithson stated. They have done it in less than two decades -- what are we

waiting for? he said. In the absence of any national leadership on the renewables issue, BPA and its partners must step in and put renewables and conservation first, Smithson stated.

Sara Patton of the Northwest Energy Coalition said BPA plays a critical role in the Northwest, and she commended BPA for its commitment to meet the energy efficiency and renewables targets in the Northwest Power and Conservation Council's plan. This week *Fortune* magazine is calling for Renewable Portfolio Standards to be adopted by the 37 states that don't have them, she noted, adding, "investing in clean energy has become mainstream" and even "capitalist." Clean energy takes the pressure off the power system, Patton pointed out.

I'm happy that BPA has left the door open to wider acquisitions of renewables because BPA has the advantage of economies of scale over smaller utilities, she said. BPA has addressed some transmission barriers to new renewables, but there is much more that needs to be done, Patton stated. I'm happy to see the commitment to energy efficiency, but I would like to see the details of what you propose, she said. BPA should define its share of regional conservation and BPA should include all the loads of all the publics in its share, according to Patton. BPA should leverage its influence through the power sales contracts to make sure utilities do their share, she said.

The Coalition recommends that if a utility uses less energy as a result of investments in energy efficiency, that it should be allowed to sell the surplus power on the market, Patton stated. We also recommend that you ensure that the public interest community, such as the Northwest Energy Efficiency Alliance, is included when you develop the details of your program, she said. Patton recommended putting in a definite number to define efforts for low-income weatherization. You should set a goal of doing 5 percent of eligible dwellings a year, she urged.

We support collaborative forums for the discussion of budgets and suggest they be more frequent and more transparent, Patton stated. We've been impressed with the strides BPA has made in this area in recent years, she added.

Transferring load growth responsibility to utilities may lead to over and underinvestment in resources, Patton warned. Turning over load growth responsibility to over 100 utilities jeopardizes the region's ability to meet clean energy goals, she stated. I fear we will have boom-and-bust cycles, Patton added. The power contracts must contain adequacy standards that stipulate that adequate resources must be acquired, including conservation and renewables, she concluded.

Hamilton Hazlehurst of Vulcan, Inc. said that BPA funding allows Seattle City Light to pursue aggressive energy conservation. Vulcan owns 60 acres on South Lake Union and is committed to building a sustainable community that includes green buildings, he stated. Hazlehurst explained some of the energy-saving innovations and strategies Vulcan is exploring, the projects they are doing, and the energy savings they have achieved with Seattle City Light incentives. Vulcan shared in the costs of the projects, making the effort a partnership, and the energy savings have benefited the tenants of our buildings, he noted.

We support continued funding of energy conservation programs because they encourage developers to pursue energy-saving strategies, Hazlehurst said. They are encouraging Vulcan to take energy conservation to the next level, he concluded.

Vanessa Brower of Olympic Community Action Programs said that her agency's weatherization services are extremely dependent on BPA funding. Low-income services and support such as this program provides are critical to our citizens, she said.

Andy Silber of the Sierra Club said BPA must fulfill its responsibilities for salmon recovery and protect the environment of the Northwest, as the Northwest Power Act requires. We support conservation programs, and we need to make sure that the Intalco smelter employees get the power they need to keep their jobs, he stated. BPA should guarantee that the region will grab every possible conservation opportunity that's cost-effective, Silber said. We laud BPA for trying to make renewables more accessible and easier to adopt, he continued. As wind becomes a bigger part of the region's resources, we recommend BPA help small utilities with its adoption and integration, he said. With respect to climate change, we say that as a region, we need no new CO2-emitting power facilities, Silber concluded.

Jake Fey of Tacoma said he has been involved in energy efficiency and conservation work over the past 30 years. BPA and the utilities have made both good, and less than satisfactory, decisions, he stated. Local utilities wouldn't earn as good a grade on energy efficiency as BPA does -- utility performance has been "spotty," according to Fey. He said the allocation of BPA power has to come with contract conditions that use a starting point higher than the current conservation and renewables discount. Fey encouraged BPA to continue the Regional Dialogue discussions and to make sure they are open to participation by all groups.

Gary Anicich of Alaska Distributors described an energy conservation project his company did at a large distribution center in Seattle, which reduced energy use by 33 percent and improved the quality of life for their employees. We couldn't have done it without you because it wouldn't have penciled out, he said. Because we won't be seeing new power plants in the region, we need programs like this, Anicich stated.

Jim DiPeso of Republicans for Environmental Protection called BPA's proposal "a good start." Global warming is getting so much attention, "it's become a celebrity," he stated, adding that BPA is in a unique position to solve global warming. DiPeso urged BPA to be the backstop to make sure that all the cost-effective conservation called for in the Northwest Power and Conservation Council's plan is acquired. We need steady and consistent support, he added. BPA should use its assets and the river system to help develop renewables, DiPeso stated. You should be an anchor and a partner so we can get these projects going, he said. "It's a big job, but you guys are up to it," DiPeso concluded.

Tom Brandt recommended the use of more solar energy. He also advocated using more public transportation as a way to conserve energy.

Andrew Lofton of the Seattle Housing Authority expressed support for BPA funding conservation programs at or above existing levels. Conservation is important to the Housing Authority's residents, and it helps them control rising energy costs, he stated. We have used Seattle City Light programs since 1997, and as a result, we've reduced our maintenance and operating costs, and the savings enable us to use the money for housing, Lofton noted. He urged BPA to expand funding for low-income weatherization.

Tony Orange of the Central Area Motivation Program (CAMP) in Seattle's central district explained CAMP's services in combating poverty and hunger, sheltering the homeless, training the unemployed, and helping families keep from going without heat. In the 2003-2004 program year, over 6,000 households received subsidies for utility bills, he noted. I support meeting all future growth with energy efficiency and renewables, Orange stated. That approach provides rural economic development and protects the environment, he said. BPA's Regional Dialogue proposal is a positive step forward, but there is still room for improvement, according to Orange. The proposal is too vague and lacks specific commitments to ensure adequate support for low-income weatherization, he said. Orange pointed out that programs that help low-income consumers pay their utility bills save utilities and other ratepayers money.

Barbara Zepeda said conservation programs are the result of citizens who fought the business establishment to get them. She said the costs of the Washington Public Power Supply System (WPPSS) are "still on the backs of the ratepayers of Seattle." Big business walked away and left the PUDs with the WPPSS debt, Zepeda stated. The aluminum companies "got sweet deals and ripped the public off," she said. Zepeda asked how the \$21 million for renewables acquisition fits into the BPA budget, and Norman replied that it is less than 1 percent. That's not enough, Zepeda responded.

Mike Ruby, an economist, said that when people say, "give consideration to my interest," what they are asking for is subsidies. We need to plan for the future and keep in mind that the whole Northwest hydro system is based on the snowpack, he stated. I've heard there are different prices for electricity in rural areas versus urban areas, Ruby said. If that is so, you should be transparent and spell that out, he stated. The public needs to know the numbers -- don't hide it in "some strange rate structure," Ruby said. BPA should continue its infrastructure role in the Northwest, and BPA needs to take on responsibility for meeting new growth, he stated. We can do a lot using conservation and renewables, Ruby said. If you rule out natural gas, nuclear energy is all there is, he stated. BPA should cost out the price of another nuclear plant, including the disposal of the waste, and when the region sees how much that costs, it will know how good renewable energy development looks, Ruby said.

Mike Rousseau, manager of Alcoa's Intalco plant, said the company is a partner with the local community and that it wants to be a partner with BPA. We are not asking for more power, just the same amount we have been getting, he said. I ask BPA to consider the Alcoa proposal -- please allow us to continue to be responsible partners, Rousseau concluded.

Closing

Norman thanked all the participants and speakers. He said that the comments made in this meeting would be discussed extensively in the internal BPA decision meetings on regional dialog issues. He noted that the deadline for written comments on the Regional Dialogue proposal is September 22. The meeting adjourned at 9 p.m.