

**Bonneville Power Administration
Regional Dialogue Technical Group
Summary of October 12, 2005 Meeting**

NRU shared a suggested revision to proposed resolution #2. The group made additional edits to the document (not reflected in the handout below).

Discussion was held on the topic of service to direct service industries. A number of parties shared their opinion on BPA's proposal in the Concept Paper. No proposed resolutions were prepared for this topic.

Long-term contract elements were discussed, including

1. the timing of new contracts,
2. the timing of the rate methodology rate case,
3. the duration of contracts and the starting date of the 20-year contract period, and
4. contract standardization

BPA agreed to bring back proposed resolutions on these issues to a future meeting.

See below for the following handouts distributed at the meeting:
NRU handout of updated proposed resolution #2

Oct. 12, 2005 handout from Geoff Carr (NRU) of updated proposed resolution #2

The total amount of power available for High Water Marks for current load following customers will be equal to the load following customer's forecast FY2002 net requirements determined from BPA's WP-02 Rate Case using BPA Load Study 3 as further adjusted upwards by specific adjustments in the PPC proposal. BPA will redistribute this amount among the same group of customers in proportion to each customer's net requirements calculation performed at the time of contract offer. This new net requirements calculation (done in, for example 2009) will be the HWM for these customers.

Exception: By providing notice to BPA prior to XX/XX/06 a partial service load following customer may opt out of being treated the same as the other load following customers and instead take a HWM based solely on a FY2002 net requirements calculation determined from BPA's WP-02 Rate Case using BPA Load Study 3, as further adjusted upwards by specific adjustments in the PPC proposal.

Each customer may use their High Water Mark to purchase their choice of the available products for each new Regional Dialogue Contract.