

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

The meeting commenced with a review of the agenda. Public power participants provided an overview of their Dec. 9 meeting and outlined issues that were still outstanding that they needed more time to discuss among themselves.

Participants discussed next steps. BPA posed the question of preparing a written status report. Participants requested that BPA not put anything in writing at this point in time. Some felt that BPA needed to be more flexible on decisions and therefore did not want to see BPA's current position documented.

The schedule for continuing these meetings was discussed. Pending approval of the Principals Management Committee technical meetings will be delayed until mid-February 2006. In the meantime participants may meet and hold informal discussions as desired.

Rachel Shimshak, NRP, discussed progress the renewables sub-group had made including flexibility, "no decrement for renewables" and BPA facilitation with Tier 1 budget. Scott Wilson, BPA, summarized BPA's leanings on a number of Regional Dialogue Issues.

Prior to concluding, participants approved the agenda for the Dec. 16 Principals Management Group meeting and desired outcomes.

See below for the following handouts distributed at the meeting:

- Renewables Update
[Note: This handout was originally posted on BPA's web site as a Word document on December 12, 2005. It was later converted to PDF without any changes to the content of the document.]

Title of Document: **Renewables Update**

Author / Submitter (Organization): Rachel Shimshak (RNP)

Date document created or revised: **December 12, 2005**

For meeting on (date): **December 12, 2005**

The following people met to see if we could make progress on our renewable items for the Regional Dialogue: Walt Pollock, Elliot Mainzer, Angus, Terry Mundorf, Larry Kitchen, Jeff Carr, Tom O'Conner, Keith, Natalie McIntyre and me. These were the notes we agreed upon by the end of the meeting. Terry and Walt are to create some options for the IOUs to add to the list. Relating back to the list of six issues from the previous memo on renewables from our November 18th discussion:

1. On flexibility

BPA will provide long-term integration products (up to 20 years) for renewables with some degree of price certainty and predictability for more than a rate period, but less than 20 years.

BPA will study the opportunity in its system with which to provide these products (and use that plus purchases to meet need).

Customers will not be harmed.

The service will be available to: resources serving firm loads in the NW, COUs and Tier 2. No agreement on how to make this available to IOUs, but Walt and Terry will come up with something.

2. On "no decrement for renewables."

Larry Kitchen will provide a bit of additional clarity to #2 as it relates to sub-allocation.

3 and 5. BPA Facilitation with Tier 1 budget.

Use "facilitation" dollars (which will be more than \$15 million but less than x) to accommodate anchor tenant concept, for BPA to acquire additional renewable megawatts to be placed in the FBS (that may be used to create Tier 2 products, and to accomplish sustained, orderly RR development), and RD and D. When \$\$ area used for anchor tenant concept on a project, \$\$ will be repaid to BPA as the customers need grows.