

1 18-20001214-14392790-14445968 (5:31)

2 *[dialing/ ringing]*

3 JAY: Snohomish, Jay.

4 HOLLY: Hey Jay, Holly [Kreb]

5 JAY: Hi Holly.

6 HOLLY: How are you?

7 JAY: Not too bad.

8 HOLLY: Good. Hey, our real time group is doing a little, uh, customer appreciation
9 type of trip. Um, they go to, you know, Mount Bachelor skiing and everything.

10 JAY: Uh huh.

11 HOLLY: And it's real time guys so they were looking and I don't know a real time
12 person at your shop anymore. They were asking me who they should invite from
13 Snohomish. And they only do one from each utility.

14 JAY: Right.

15 HOLLY: But I wondered if maybe you can give me a real time person.

16 JAY: Well, I, I can't, I'd have to check 'cause this is actually something that we were
17 told not to, not to participate in --

18 HOLLY: Oh, OK.

19 JAY: -- a couple of years ago.

20 HOLLY: OK, well we can send you something too.

21 JAY: Yeah, maybe you could. Would you --

22 HOLLY: Would you like me to send it to you?

23 JAY: Sure, would you mind doing that?

24 HOLLY: No problem.

25 JAY: And, um --

26 HOLLY: 'Cause the desk guys work for you now?

27 JAY: Yeah.

1 HOLLY: OK, I thought so -- so let's see, and you're at Box 1107 --

2 JAY: Yup.

3 HOLLY: And then you can, if you want to or not --

4 JAY: OK.

5 HOLLY: -- or whatever.

6 JAY: OK. I appreciate that. It's very nice.

7 HOLLY: No problem. How have you guys been doing through all this *[inaudible]*.

8 JAY: Not too bad. But I mean we, I don't know if you saw the news, but we did
9 raise rates to our, our retail customer.

10 HOLLY: How much?

11 JAY: 35 percent.

12 HOLLY: Well, hey you need Tacoma.

13 JAY: Yeah, that's right, we're in Tacoma and we're in --

14 HOLLY: Doesn't that make you feel like a champ? Right?

15 JAY: We're under Seattle and we're under Tacoma right now, so --

16 HOLLY: What is Seattle up to? I didn't know *[inaudible]*

17 JAY: Well, they went, like, 24 percent, plus a \$3 surcharge.

18 HOLLY: Plus, so plus \$3 a megawatt hour?

19 JAY: Yeah, yeah. Well, for kilowatt hours, uh kilowatt hours.

20 HOLLY: For kilowatt hours. Well \$3 --

21 JAY: Er, I'm sorry, \$3 per customer connection, I think --

22 HOLLY: Oh, OK.

23 JAY: Per connecting customer. And then they went on a, and also a kilowatt hour
24 percentage increase.

25 HOLLY: OK.

26 JAY: So --

27 HOLLY: But, yeah, you can't feel too bad about that.

1 JAY: Yeah and Puget went 40% on gas.

2 HOLLY: Oh –

3 JAY: So, and --

4 HOLLY: Have then done -- they haven't done electricity yet?

5 JAY: We haven't heard, yeah, what's, what's coming with that.

6 HOLLY: Yeah. Well so you look very respectable.

7 JAY: Well *[laughs]* you know we didn't want to do it though.

8 HOLLY: Right.

9 JAY: But, uh, we've got some exposures in our supply for the next few months –

10 HOLLY: Well the other thing, you know, we did some stuff with, like, uh, four Muni
11 deals?

12 JAY: Uh huh.

13 HOLLY: Where we basically gave 'em, uh, power now?

14 JAY: Uh huh.

15 HOLLY: And we're getting it back in the future?

16 JAY: Hmm.

17 HOLLY: Or letting them then pay us in the future?

18 JAY: Right.

19 HOLLY: Basically financing deals, but to get 'em through until BPA rate case.?

20 JAY: Right.

21 HOLLY: And so, we did four of those deals and we're, you know, we'd look at
22 doing more if you guys have any interest in doing that because a lot of the people you
23 know are like, "Well, we're gonna raise rates, but then we'll be lowering them again
24 when we get back on BPA."

25 JAY: That's right, yeah.

26 HOLLY: So, if that would help you any, I mean we've done, oh, up to like 20 million
27 in those kind of deals –

1 JAY: Uh huh.

2 HOLLY: -- I mean, you know, each deal. So we can do those kind of deals if you
3 have any interest in them.

4 JAY: OK.

5 HOLLY: Either power, like is it power for power, or power for dollars later, or --
6 eith -- however, which way --

7 JAY: Right

8 HOLLY: You know, fits you guys.

9 JAY: OK, 'cause we're actually looking to put together something probably, we have
10 a request for supply, um, for, like six months, one year, two years, so we'll be sending
11 that out to you also.

12 HOLLY: Yeah, so, I mean, what you could is say, you know, we could give you
13 power, you know, for whatever term, you know, a year --

14 JAY: Uh huh.

15 HOLLY: -- and then you could either give us power later or money later.

16 JAY: Yeah. Have you ever seen a request come across your desk that says, if we
17 gave you, um, \$50 a megawatt, this is I know very low, for 100 average megawatts --

18 HOLLY: Uh huh.

19 JAY: -- how long of a term would it have to be for it to be feasible for you?

20 HOLLY: So you're, you're saying you want to pay \$50 a megawatt hour?

21 JAY: Yes, you name the term and then it becomes economically beneficial for both
22 of us.

23 HOLLY: Well I, you know, I haven't seen any RFP's like that? But I have talked to
24 customers about that, you know, what, what is the point, you know, and then I'll give
25 you the term --

26 JAY: OK.

1 HOLLY: I mean I could definitely do that over the phone with you, you know easily.

2 There's no, there's no \$50 term anymore.

3 JAY: Right.

4 HOLLY: Um –

5 JAY: You'll see us request it though. *[laughs]*

6 HOLLY: Are you gonna request the \$50?

7 JAY: *[inaudible]* not gonna be 50 on there.

8 HOLLY: Yeah, 50's not gonna make it anymore.

9 JAY: Yeah.

10 HOLLY: I did price – let's see, me check really quick 'cause I just got numbers for
11 somebody on a 10 year, which you used to be able to do for 50 –

12 JAY: Uh huh.

13 HOLLY: -- and it's, it was right around, I think 80, for flat power for a ten year?

14 JAY: Really? Wow.

15 HOLLY: Out of January 01.

16 JAY: Uh huh.

17 HOLLY: If you start later, now, we might be able to get it closer –

18 JAY: We were actually looking at starting in February.

19 HOLLY: Yeah, if you started like in 04, 'cause the front years are what's real
20 expensive.

21 JAY: Sure. Oh, yeah, yeah.

22 HOLLY: So, um, you know, um, you're not gonna get anywhere close with 50? You
23 know, you bump the number up to 75, you could probably get closer.

24 JAY: Right.

25 HOLLY: It might have to be 85, but you know, I'd say at least in the ball park where
26 50, I don't think people will laugh.

27 JAY: Sure. Oh yeah.

1 HOLLY: So, well, though, if they could just give you a certain term like 22's for
2 several years, maybe.

3 JAY: Uh huh.

4 HOLLY: You know that could be.

5 JAY: Right.

6 HOLLY: If you're looking for flat year round power, it's not in the realm of reality
7 any more, so – especially starting now.

8 JAY: OK.

9 HOLLY: OK?

10 JAY: That sounds good.

11 HOLLY: I'll look forward to seeing it though.

12 JAY: OK. Thank you. I'll – uh huh, bye bye.