

Questions and Answers
Topic: PBL Risk Mitigation
Power Function Review Meetings
April 6 & 18, 2005

Q. Slide 7: please provide any analysis of the new risks posed by wind project output.

A. The estimates of wind risks mentioned in the workshop (no numbers were shown in the package), were very preliminary. The methodology is being reviewed prior to inclusion in the rate case initial proposal. It is premature to provide any analysis at this time.

Q. Slide 10: please provide any analysis of the need for the proposed increase in working capital

A. The support for increased needs for working capital (aka liquidity reserves) for the PBL will be provided in the rate case initial proposal.

Q. Please provide more information on the big problem with capacity in regards to wind.

A. The estimates of wind risks mentioned in the workshop (no numbers were shown in the package), were very preliminary. The methodology (including issues of capacity) is being reviewed prior to inclusion in the rate case initial proposal. It is premature to provide any analysis at this time.

Q. Provide information on the components of the wind risk and on the variability of the wind supply.

A. The estimates of wind risks mentioned in the workshop (no numbers were shown in the package), were very preliminary. The methodology is being reviewed prior to inclusion in the rate case initial proposal. It is premature to provide any analysis at this time.

Q. Provide documentation on the need for greater liquidity reserves.

A. The support for increased needs for liquidity reserves (aka working capital) for the PBL will be provided in the rate case initial proposal