

FREQUENTLY ASKED QUESTIONS

June 25, 2004

1. What is green power?
Green power is power that is produced by using renewable energy sources such as wind, solar, geothermal. There are also sources known as biomass that uses decaying farm by-products like manure or plant wastes to produce methane gas. Green power typically means avoiding the use of fossil fuels like coal, oil or natural gas to produce power.
2. Where does the for your green power program come from?
In general, the green power is produced within the Western states. We can't say specifically because our green power option is based on a marketplace where credits for the production of green power are sold by green power producers and purchased by organizations, like BVEA wishing to supply green power options to customers.
3. What type of facility produces the green power you offer?
In nearly all cases, the green power comes from wind turbines. At present, wind offers the lowest priced green power option and has the volume to meet demand.
4. Why is BVEA offering a green power option?
Cooperatives, like BVEA are owned by the customers they serve. When customers want a product or service, cooperatives work to provide it. In the case of green power, we believe some customers are interested and as a result we have provided this as an option.
5. Will the green power option result in all power customers supporting the program?
No. The program will be supported only by customers who choose to participate. Additional costs will be recouped through the additional costs of the green option.
6. Why does green power cost more?
In general the nationwide power industry has been built using technology that provides power at today's current rates. The technology used by green power producers is, at present, not cost competitive with non-green technology. However, green technology is getting more efficient and the costs for green power have been falling.
7. Why are you requiring participants to stay in the program for a year?
This is a new program and it is hard to estimate how much interest to expect. Since we will be purchasing green certificates to match customer demand we need to minimize fluctuations until we have more experience. That will prevent us from purchasing green certificates and then having cancellations that could leave us the more inventory than we can sell.
8. Why doesn't BVEA build its own wind power facility?
There are several reasons, but perhaps the most important is cost. Our program will be paid for only by the customers who participate. Research shows that nationally, only a few percent of co-op customers will choose to participate. To develop a wind facility would be a multi-million dollar undertaking and the small customer base couldn't support it.
9. If I buy a 100% green power option can I say that all my power comes from renewable sources?
Yes, but the actual power is not ultimately delivered to your house. The green power is applied somewhere on the Western power grid to which your home or business is also connected. In basic terms, somewhere on the Western power grid an exact amount of power equal to your usage is being produced by a renewable power producer. The premium you pay is supporting that green power production.