NORTHWEST POWER AND CONSERVATION COUNCIL

IN RE:

DRAFT SEVENTH NORTHWEST POWER PLAN

PUBLIC HEARING

HELD ON
MONDAY, NOVEMBER 9, 2015
6:30 P.M.

FLATHEAD ELECTRIC
2510 U.S. HIGHWAY EAST
KALISPELL, MONTANA 59901

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MR. SMITH: Thank you very much for coming tonight in inclement weather. Glad to see the moisture back in this part of the country. My name is Pat Smith. I'm one of two Montana members on the Northwest Power and Conservation Council. I actually live just south of here in Arlee, a bit north of Missoula.

My other colleague is Jennifer Anders, who is in Helena. She had a loss in her family just recently, so she will not be here tonight. But we very much appreciate the turnout tonight for this hearing.

I would like to first acknowledge Bruce Measure, a former Northwest Power Council member here. Welcome Bruce, good to see you. And I will sort of read the procedures here of what we'll -- how we'll proceed this evening, and then Tom Eckman, who is our Power Division Director -- and there are

a number of staff people here. Raise your hands, the members of the Northwest Power Council staff that are here **(indicating)**.

Because also afterwards, if you want to talk to folks, we have a lot of our experts in the room this evening who have been involved in drafting this plan -- and Mr. Eckman, over here**(indicating)**, will give a Power Point overview for you right after I read this statement, and then we'll proceed with testimony in the order that you signed up.

So welcome to the public hearing held by the Northwest Power and Conservation Council on the Council's proposed Seventh Northwest Power Plan.

The Northwest Power Act directs the Council to develop a regional conservation and electric power plan and to review that plan every five years. The Council is now engaged in its latest five-year power plan review. As part of this effort, the Council released the draft revised power plan on October 20th for public review and comment.

The Council will be accepting written comment on the draft power plan until December 18th. The Council will also hold public hearings like this, one, to receive oral comments on the draft plan, in all four states over the next six weeks.

If you would like to comment on the draft power plan at this hearing, please sign in on the sheet provided for that purpose to the right here **(indicating)**. And you may also leave written comments with us this evening if you desire.

Your comments tonight will be recorded, placed in the Council's administrative record for the power plan review, and -- most importantly -- considered carefully by the Council as it makes its decisions on the final power plan early in 2016. The same is true for all written comments submitted to the Council.

For those of you who intend to testify this evening, your name will be called in the order you signed up. Please begin your testimony by stating your name and organization clearly for the benefit of the court reporter, and feel free to summarize your testimony. Your full written statement will be included in the official record.

In the unlikely event that we have more willing witnesses than available time -- which I don't think will be a problem this evening -- we might have to establish a time limit for each witness, but we hope that won't be necessary this evening.

We will leave the official record open for a period of ten days following this hearing. This is just for the record for this hearing and this court reporter, because we'll wrap the proceedings on this hearing, we hope, and we'll leave it open for ten days. But, again, the full record is still open until December 18th.

All public comments submitted to the Council, including oral testimony at tonight's hearing, will be posted on the Council's website as soon as possible.

For more information on the proposed Seventh Power Plan, including the text of the draft plan itself, please visit the Council's website at www.nwcouncil.org.

You may submit comments by using the "provide comment" link on the webpage devoted to the draft Seventh Power Plan. That's another way you can easily comment just off the webpage.

So with that, again, thank you for coming. We very much appreciate the turnout tonight. And I'm now going to turn it over to Tom Eckman, who is going to give you kind of a high-elevation overview of the Seventh Power Plan.

MR. ECKMAN: Good evening. Thank you,

Pat. We're going to do a fairly quick overview of the plan, and then take testimony from all of you. So this is just to get you warmed up.

What we're trying to do with the regional plan is to prevent some of the mistakes that were made in the '70s with respect to both, particularly building too much power at a very expensive cost.

The Power Act worked its way through congress in a period where we had overforecast the region's need for additional resources, and we overbuilt, and Bonneville's rates at the wholesale level went up 418 percent in about five years. So it's a little bit of a history to see why we're here. But we're trying to prevent that from ever happening again.

The Power Act has a set of efficiency resources, renewable resources and thermal generation resources that are set in priorities. We're trying to set those out in terms of resource need and go through the region with your comments and involve the public in the development of a plan.

Our principal goal in the plan is to ensure an economical and reliable power supply over the next 20 years. We have to have a forecast of that demand, and a resource program to meet the

demand going forward. I'll show you some of those in a moment and identify some of the resources that will be needed to meet the forecasted need going forward. And we revise the plan every five years, as Pat said, by statute.

Most of the plan's guidance is directed at Bonneville, the region's utilities, with respect to the kinds of resources they develop, when and in what quantities. So we start with Key Findings: Energy Efficiency and demand response. And demand response, in our words, is a way to meet peak loads that occur in periods of time when we have low water conditions, that is, it's a drought, and we have a very cold winter.

And so during peak periods during the winter, we ask and pay people to reduce their consumption -- largely industrial customers, commercial customers but it can also be residential customers -- to reduce their needs during peak time. And energy efficiency has been around for a long time. The co-op here has been.

So this is what the resource portfolio looks like on an energy picture. That big green wedge there is energy efficiency going forward. It's the predominant resource that we see that's

cost-effective and need for development.

There's a little bit of natural gas coming on at the tail end, and some wind, and solar at the far tail end starting around 2030, 2035 -- or 2030, 2025 (sic), and those are being built in response to Washington, Oregon and Montana renewable resource portfolios.

So the real story going forward on an energy picture is energy efficiency and conservation. So there's really no immediate need to provide development of any generating resources. The reason for this is, if you look at loads going forward, we think we can mitigate all load growth with energy efficiency.

So this is the net load, on average, across all forecasts that have been done, and it stays basically flat for a period of 20 years. Before energy efficiency, the loads would have looked like this, another 4,500 aMW of load at the tail end. But that energy efficiency basically needs no load growth under most conditions going forward.

What was aiding and abetting this process in particular was, we had an unprecedented number of federal standards that came into place that will go

into effect between now and 2020, and they will diminish the need for new resource development as well. So a bunch of the energy efficiency is going to be captured by federal standards for plants buying equipment and anything -- including transformers that the utilities buy.

When we look at this over multiple kinds of scenarios, we see the same result. This is the load growth going forward, net, after energy efficiency. In our existing policy case, that's no new policies beyond what we have adopted today. If we take an increased carbon significantly into market price, we end up developing roughly the same amount of conservation and end up with net load after that at basically the same level.

When we look at low gas prices, we basically develop the same amount of energy and efficiency, plus or minus a few MW going forward. And, again, it meets all load growth, even under very low gas price conditions where less energy efficiency would look to be less economical. But in terms of meeting load growth, it does the job.

And finally, under lower conservation, we still meet load growth, but not quite for so long, by about the year '15. The energy -- the cost of

energy efficiency has been used up. In lower conservation cases, this is where we apply conservation up only to the wholesale market price of power. It still has basically flat load growth for the next 15 years.

So over the next five to ten years, which is the principal component of the plan before we update it, it looks like very few futures would have us building generation to meet load growth.

I should add that that particular line, that red line, if we only build that much energy efficiency, it increases the cost to the system by about $14 billion over 20 years, so it's not a very least-cost solution. It is, however, cheap in the front end.

Okay. Demand response, and out-of-region markets might meet our needs for peak resources, and we look at the portfolio for capacity. Again, the big green wedge there is energy efficiency.

The purple slice is demand response, pretty constant at around 700 MW of winter capacity on peak, and a little bit of thermal resources, natural gas, coming on at the end to supply winter capacity.

So the big story in both energy and

capacity is that demand response is the principal component for energy, and energy efficiency are the principal components that meet the capacity and energy needs.

Retiring coal plants, which there are three announced retirements in the region, none in this state, as of yet. In Washington state, the Centralia Coal Plant has been announced for retirement. In Oregon, the Boardman Coal Plant has been announced for retirement. In Nevada, the North Valmy Coal Plant -- North Valmy Coal Plant has been announced for retirement. Those can basically be replaced with firing our existing natural gas generation in increased amounts.

So if we look at that, these are the -- this is the amount of gas generation on the vertical axis in aMW that we would produce from the exiting gas turbines we own in the region, across the region today. If we don't retire the coal plants, that's the gas generation input that we would provide to the region's power supply.

It starts at around 2,000 aMW and diminishes to about 1,500, and then picks up a little bit at the end. But between 1,500 and 2,000 aMW of gas generation if we didn't retire those

three coal plants I just mentioned.

Since they are going to be retired, the amount of gas generation goes up as the substitute for that coal generation on the west side and down in Nevada. So that blue line represents the amount of gas generation increase that we would see. So it stays steady at around 2,000 aMW as it is today instead of diminishing over time.

If we add carbon costs to the equation, it raises the price of coal significantly, less so with natural gas, and gas generation is more economical. So we see a huge increase in this particular scenario of nongas generation, almost a doubling of gas generation going out because it now becomes cheaper to operate the existing coal plants.

If we take another path with carbon cost, it goes up a little bit more, and so gas generation grows gradually because the carbon costs in that particular scenario increase over time and get to basically the same level.

If we're going to do a coal plant retirement, if we retire all the coal plants in the entire region, we see gas generation bumping up again. If we add renewable resources, we see gas generation diminishing because renewable resources

reduce the wholesale price of natural -- wholesale price of electricity, and natural gas plants can't compete, so they diminish their output.

So finally, on the EPA carbon rules, which I know in this region is of great interest in the state, we can meet them regionally. These are all the scenarios that will just get them on there.

If we don't retire those coal plants that have been announced for retirement already, that's the level of coal generation we see in the region on an average basis. Since those plants are going to retire, that's the path we see carbon generation looking like going forward.

So there's a fairly significant drop. Instead of 30 MMTE in the end, you get down to about 20 MMTE through those coal plant retirements that are already announced. All the other scenarios drop below that level because they do have additional policies to take carbon lower. That yellow that just came on is the EPA limit for the four states for carbon generation that's allowed, starting in 2022 and going through 2030.

So without the retirement of those coal plants that have already been announced, we would exceed that at the end. But with the retirement, and

with the energy efficiency that's embedded in all of those forecasts for around 4,500 MW of savings, we see meeting the EPA goals at the regional level relative to straight forward. That's not necessarily the same statement for each state.

If we look at the rank order of the policies out there, the average CO2 emissions for the region, as a whole was about 55 MMTE, on average, between 2000 and 2012. If we don't retire the coal plants that have been announced, that goes down to about 45. With those retirements, it goes to around 35 MMTE.

And if we add various costs to the carbon cost, we see reductions in carbon still down further. We go from about 55 MMTE down to the bottom there with 12 MMTE. With maximum technology, that's basically retiring all the coal plants in the region and substituting natural gas for even inefficient natural gas.

An important phenomenon to understand here is there's a big cost associated with one particular scenario versus another. So if we start at 35 MMTE with the coal plant retirement and building energy efficiency, in order to get down to 29 MMTE, if we use an RPS to get there, a region-wide RPS at 35

percent, that increases the system cost by about $34 billion. That's over a 20 percent increase in cost to the system.

On the other hand, if we simply retire coal plants and inefficient gas plants, we can get down to 12 MMTE a year for about $20 billion. So there's clearly a difference in cost benefit ratio, depending on the carbon reduction policy you choose to take.

It's still a lot of money. $20 billion is a fairly significant increase, but you get a pretty significant reduction in the cost of carbon reduction using that policy.

So I'm going to stop there after we look at this last number. We have found that imports and exports matter a lot. This region sells a lot of surplus power to California and the southwest. Selling less to that outer region, and using the in-region helps us avoid development of in-region resources.

And I'm going to stop there because I want to hear from you folks. Pat, let's go there at this time.

MR. SMITH: Thank you, Tom. We're going to proceed now with the list of folks that have

signed up. I've got 14 people signed up. And, again, if you'd like to testify, or if you changed your mind and you'd like to be on the list, just sign in over here at this table over here **(indicating)**, and we'll be sure to include you.

The purpose of this is to sort of hear your comments and your input, not so much a question and answer situation. As I mentioned before, we have Tom Eckman, our Power Division Director here, and other staff people in the room.

So after the presentations, just be aware and feel free if you have questions about things, we have staff in the room that can help you and try to answer any questions you might have.

So with that, I think we'll get started. And I'd like to ask Ray Ellis to come up first.

MR. ELLIS: I guess it's already turned on. My name is Ray Ellis. I'm the general manager for Lincoln Electric Cooperative in Eureka, Montana, just north of here.

I'd like to start off by saying that you're a brave man, Pat, for being the only member of the Council actually here for this sort of thing. But I do want to take the time to thank the Council for its process for this Seventh Power Plan, and the

fact that it was much more transparent, and most certainly more accessible than in the past.

And we really do appreciate the opportunity. There's been many times that I've been able to speak to you and the Council about, you know, what affects Lincoln Electric.

I'll start off by giving a little background about Lincoln Electric. We serve about 5,600 meters in Northern Lincoln County and part of the northwest shoulder of Flathead County. And I can assure you that the recession is still alive and well in that particular area.

And that on a forecast basis, when you look at what Lincoln Electric is expected to experience in the next decade, we'll have little or actually no load growth whatsoever. And so therefore, you know, all the policies that the Council suggests to Bonneville has a major impact on our rates and what goes on there.

Certainly, we've seen an increase in the numbers of low income, and I want to say low-income and fixed-income members. Also, there's been a major change in our demographics in which at one time we had about 50 percent of our load was industrial, and now it's down to about 6 percent,

and that is mainly from the closure of all the sawmills in that particular region.

As well, I guess, also, you know, I can go on about the woes that we have there and how it's important for us to really make sure that anything that affects rates is as minimal as possible. Also, I would like to kind of propose to the Council -- I make this same plea to Bonneville as well -- is that we need to really kind of forge a much closer relationship between the Council and the cooperatives that especially you represent here in Western Montana.

And it's important in many respects because it's those members of those cooperatives that actually are paying for, you know, not just the budget of the Council, but for all of the suggested policies and requirements that the Council is placing on Bonneville, and understanding just how it affects us is really important.

And I know that the Council has to make a -- this is a regional plan, but the regional plan has its effect down to the very smallest, and that's certainly one of the -- is us.

Also, I want you to understand, too, that we do support -- at Lincoln Electric we do support

our responsibility for the fish and wildlife costs of the hydro system. And also, we are in support of energy efficiency, even though it can detract from our revenues. I guess I can't reiterate enough that it is important for -- that there be controls on the cost of the fish and wildlife program. I realize maybe we're talking energy efficiency here, but also on energy efficiency as well.

As I mentioned earlier, you know, our load forecast is flat, if not declining over the next decade. And being required to do certain amounts of energy efficiency actually reduces our revenue.

And as a utility that is not growing, and it means then we have to turn right around and raise our rates to make up for the lack of revenue because we are a nonprofit utility, and we still have to make certain amount of margins to cover our debts that are paid out to the banks that we borrow money from.

I would like to see that the Council would have some recommendations for -- to Bonneville that there's some flexibility built into the plan for energy efficiency that would allow us to apply our monies where we see the most benefit, and have the Council and Bonneville both understand that some of

those goals may not be applicable to all utilities across the region, especially one like ours.

You know, we see that -- we've tried to apply more and more of our energy efficiency dollars towards low-income weatherization. That certainly changes the dynamics or the economics of energy efficiency versus the lowest cost resource, and because there are some places that you just can't put enough money into to really make energy efficiency economical with some of the places that people live in.

We also believe that instead of having a specific number of MW that you choose, that there should be a range. Because we know how difficult it is to predict the future, no matter how many forecasts you use, how many sensitivities you build into the forecast, mostly likely whatever you forecast isn't going to come to pass exactly.

So I would like to see -- recommend that we have a range of that target of energy efficiency. So because if we don't meet it, what's the recourse, you know? And so it needs to take into account a combination, you know, some of the -- that some of the assumptions actually may not be correct.

For instance, the price of natural gas,

you know, that assumption was made and kind of set, I think, in '13-'14. We're seeing lower prices on that. It may have a different outcome or a different look at how the economics play out on energy efficiency versus natural gas. We do know that natural gas does set the margin for the power prices in the Northwest.

I guess also, too, I would like to have the flexibility to be able to use our energy efficiency dollars on demand response. As I said earlier, probably the biggest and best benefit I can give my members is a way -- is for us to be able to keep our wholesale power costs depressed, because they make up about 50 percent of our budget right now.

And any impact on our rates, on our wholesale rates, has to be passed along to our members. We just can't hardly quite eat that cost forever, even though we have done so in the last couple of rate increases. We're at our limit now, and all of those will have to be passed on to our members.

And lastly, I'm going to ask that -- it's going to be strange when I talked to you about this in Portland just last week -- is that I'd like to

see the Council develop a "white paper" that basically says that the policies and programs of the Council, those policies that you guys are advocating, actually will require utilities -- and especially us cooperatives -- to examine the retail rate design that we currently have, and that we should consider migrating to a fixed cost recovery rate.

And the reason why I asked that is, because you probably understand how politically difficult that is for cooperative boards, and even for cooperative managers, to pull that off. But yet it's something that we're really going to need to do if we're going to actually survive financially. Because as I mentioned earlier, when we have a specific amount of energy and we're required to sell less of that energy, you know, it does make it more financially difficult for us.

And I know that there will be push-back from some of the organizations across the Northwest, but at last check, I don't think any of those actually manage utilities and have to look out for their members and to keep their organizations financially viable. Because they are owned and operated, and our members have -- by our members,

you know, they have a specific role to play in managing our utility. So that's it for me for now. Thanks.

MR. SMITH: Thank you, Mr. Ellis. So our next commenter is Mark Johnson. I'd also like to thank Flathead Electric for hosting us tonight at this facility. Thank you very much.

MR. JOHNSON: Glad to have everyone here. My name is Mark Johnson. I'm the general manager here at Flathead Electric. I just wanted to make a couple comments, kind of echo a few of the things that Ray said. I do agree with Ray that the Seventh Power Plan process has been very much transparent and appreciate the hard work of the staff and the Council. We had two members -- two employees of Flathead Electric involved in committees, the Resource Strategy Advisory Committee and the Generating Resources Advisory Committee. So we were involved in the process and appreciate that opportunity.

The first point I'd like to talk about is the resource portfolio of the Seventh Power Plan. The regional portfolio model across all the 800 futures that were tested shows in more than 90 percent of those futures that cost-effective energy

efficiency met all the load growth through 2035.

One of the things that I was surprised about was to see how little variable renewable resources, such as wind and solar resources, contribute to the expected resource portfolio moving forward. And which brings up a request I would like to provide for the Council.

States continue to adopt higher statutory requirements for utilities through mandated renewable portfolio standards. And based on the Seventh Power Plan, these mandates to develop new renewable wind and solar resources, ahead of need in most cases, deserve much more scrutiny before becoming law. I would ask that the Council provide the necessary scrutiny.

I ask the Council to use its resources to provide analysis and guidance to those who are advocating for higher RPS standards, including the governors of the Northwest states. This is a time and an issue where I think the Council should and can provide leadership to the region.

The second item I'd like to talk about is a single-target regional conservation goal and echo what Ray said. This target, which is a specific number, does not reflect the uncertainty of the

forecasting process, nor address the variability of outcomes that can be received from conservation over time.

Acquisition of conservation is very unpredictable by nature, especially related to commercial and industrial customers whose willingness to fund conservation can change with any downturn in the economy.

For these same reasons, specific two milestones as noted in the plan for conservation are also not appropriate.

When further analysis has been done and charting of the scenarios relating to the Council's six-year energy efficiency build recommendation is performed, it appears that a range of 1,300-1,450 aMW is much more appropriate versus the specific 1400 aMW target currently in the plan.

And lastly, I realize that the Council, and especially you, Pat and Jennifer, are responsible for the entire region as members of the Council. And I understand what a tough job that can be. There's no question about that. I would encourage you, when appropriate, to step away from acting in the best interest of the region and the Council and consider whether or not the decisions

you and the Council are about to make are in the best interest of Montana's Bonneville customers.

Because the interests of the region do not always align with Montana's ratepayers, whose rates help fund the Council as well as a majority of BPA's programs.

With many of BPA's programs, it is difficult to determine whether Montana is getting the appropriate share of the benefits from the money Montana ratepayers contribute. For example, in the 2014 Columbia River Basin Fish and Wildlife Program Costs Report, over $237.3 million was included in BPA's rates for fish and wildlife programs.

This included rates paid by Montana ratepayers, including Flathead Electric members, but resulted in only $8.3 million, or about 3 percent, spent in Montana. For our members, especially those who have trouble paying their bills, you need to know that they are relying on you to look out for their best interests. Thank you.

MR. SMITH: Thank you, Mr. Johnson. Next on the list is Ross Holter.

MR. HOLTER: Thank you. My name is Ross Holter. I'm the Director of Energy and Member Services here at Flathead Electric.

Flathead Electric Co-op has long had a robust suite of energy efficiency programs and achievements across all areas, including the residential, commercial, and industrial sectors. In fact, we have attained 14 aMW of efficiency savings since '01, enough to meet one-third of our load growth during that time period.

And while I applied the optimistic outlook towards EE in the draft plan, I do have three areas of concern:

First is the sustainability of these continued high levels of savings. Each year it is becoming more difficult to achieve the level of savings we reached the year before. The proverbial low-hanging fruit is being harvested, and we are now having to get out the ladder to reach the fruit that is just out of reach. We are having to become more creative, which is fine, but we are concerned that this could mean increased costs as well.

My second concern is the blanket approach of determining the potential for certain measures in light of the regional differences that exist. It's easy for us to use energy policy speak, so please allow me to provide a real-world example: Heat pump water heaters, while the energy saving potential for

heat pump water heaters is large, actual deployment implementation varies greatly across the region.

In the milder climate on the West Coast, water heaters are often located in garages that will likely never see freezing temperatures. In our climate, water heaters are virtually never placed in garages, and are, in fact, located in conditioned spaces such as utility rooms, closets, or crawl spaces.

The operational realities of these units include much higher installation cost, increased noise, the exhausting of cold air, and will drastically slow their deployment in our area.

My final issue is the plan's treatment of the capacity or demand reductions associated with various efficiency measures. It appears the plan is tabulating twice as much capacity as average energy.

Again, using real-life examples: An air source heat pump in our area will result in a capacity reduction, except for the absolute coldest days of the year when it will likely convert over to auxiliary heat mode. However, a commercial lighting retrofit with a demand reduction of 40 percent, let's say, will result in a true 40 percent reduction in capacity all the time, but certainly

not an 80 percent reduction. So my point is, that energy efficiency's contribution to capacity reduction needs to be reexamined. Thank you.

MR. SMITH: Thank you. The next is Russ Schneider.

MR. SCHNEIDER: Thank you very much. I'll keep some of my comments brief and submit written comments with the full version, but I'm going to focus mostly on some technical issues after reading through the plan.

I'd like to thank the Council's staff for the continued effort to produce a better plan, doing their best to allow for stakeholder participation. The draft plan is professional and comprehensive in many ways. It's an opportunity for the industry to come together on common terminology for the regional energy issues. There are opportunities for improvement in consideration of rural economic realities and the cost causation principles necessary for equitable distribution of Council influenced costs and benefits to Montana.

A couple areas of improvement are there seem to be too many costly action items directed at Bonneville. For example, BPA-7 through BPA-10 delve into operational issues, including operating

reserves, oversupply mitigation, extra reporting, and load forecasting. These are items that really are just good business operations for Bonneville and don't seem to need to be a directive from the Council.

The Fish and Wildlife Program costs have been discussed already. But I would say that the costs of fish and wildlife in Bonneville rates increase the cost-effectiveness of energy efficiency, so there is a little bit of a self-fulfilling prophecy when you're increasing one and then saying we need more of the other.

Bonneville-focused cost-effectiveness without proper understanding of marginal costs and benefits inherent in the Tiered Rate Methodology to Bonneville customers, the draft takes a narrow view of avoided cost that customers are getting a melded Tier 1 rate from Bonneville, when, in fact, a lot of customers are just getting a Load Shaping credit during the rate period. Or, they don't have access to a market rate that could be the avoided cost.

Market and natural gas prices could use a refresh. I'm sure you'll hear this across the region. The vintage of the natural gas forecast is from 2014. I don't think it's unreasonable to ask

the Council to update that before the final plan.

As Ross mentioned, the capacity contribution of energy efficiency seems to be overstated. Flathead has done a lot of energy efficiency in the valley, and yet in the past couple of years we've continued to set record winter and summer peaks, even with all the efforts in the region.

Demand response costs in the plan seem to be overestimated and the cost underestimated. The cost of demand response to implement on a per-unit basis used some figures from Puget Sound Energy, $14 a unit, when, you know, the cost to install some of this equipment in a home is easily $90 per visit. So we're hopeful you guys can take another look at those installation costs.

In addition, demand response programs take time to implement and the benefits are marginal. If there are some rural Bonneville customers who are below their contract demand quantity in most months, they might not have a demand charge that they can work on in some months. Thank you very much for your time.

MR. SMITH: And you work for Flathead Electric Co-op?

MR. SCHNEIDER: I do, Russ Schneider, regulatory analyst at Flathead Electric. Sorry.

MR. SMITH: And next is Roger Sullivan.

MR. SULLIVAN: Good evening again, Pat. For the record, my name is Roger Sullivan. My office is at 345 First Avenue East in Kalispell. And I'm here this evening representing myself; although, over the course of over the last more than three decades I've had the honor of representing numerous organizations and individuals who have been involved in power-related issues, including, I think, when I first met Mr. Smith may have been in about 1983, during the course of the litigation of the proposed hydroelectric facility at Kootenai Falls in Lincoln County, which was sponsored by a consortium of electrical co-ops, including Lincoln Electric and several others.

Interestingly, that was at the time that the first edition of the power plan was still just coming out, and we had an early opportunity to try to forge the benefit of the Northwest Power Planning Act, and which I was pleased to see that the historical context for the creation of the Northwest Power Planning Act and one of the legacies of it, which is the Council of which Pat Smith is a part

in, that Bruce Measure served, you know, very effectively representing Montana for the eight years of Governor Schwinden's term.

And I feel like it is important to place even this seventh proposed update within the context of the experience that led to that, which was what was the, you know, commonly referred to as the "Whoops disaster," which imposed on ratepayers throughout the Pacific Northwest, including Montana, the necessary burden from ill-advised and uncritically analyzed projections for power.

Fortunately, even in the Kootenai Falls proceeding, which was decided by the Federal Energy Regulatory Commission in 1984 -- so it's many decades past -- but the need for power, again, was one of the determinations made that saved not only the legacy of that beautiful historical and cultural landmark of Kootenai Falls, sacred to the Kootenai Indians, but also saved the electrical co-ops from the burden of a debt that they would still be servicing today.

More recently, I represented farmers and ranchers in -- outside of Great Falls, the Southern Montana Electrical Cooperatives, the SME, which was also a group of Montana electrical co-ops who had

come together to propose to build a new coal-fired generation plant just east of Great Falls. And once again, as the record in that case was developed, it became apparent that there really was not only a need for that power, but that it would really jeopardize the economic viability of those Montana electrical co-ops.

We're now still, I think, experiencing the legacy of that additional failure. We were able to demonstrate -- and in that case, I represented the farmers, the ranchers, and the Montana Environmental Information Center in successfully opposing the permitting of that facility. Ultimately, a very small natural gas fired facility was built, and even that was not able to be brought online. And eventually, as I understand it, the fate has been to sell it through bankruptcy proceeding for scrap.

So it's very important, the task that the Council has before it, in order to -- with a clear-eyed sense of future possibilities that are unclouded by sometimes the rancor of the media demands that are placed upon all of us. And I think that my own concern here this evening has to do with not just the five-year plan, but in fact, with future generations.

As a grandparent, I'm increasingly concerned with the impacts of climate change. And although the plan proposes as an element of it being the beneficiary of proposed coal-fired power plant closures, which include Centralia, Boardman and North Valmy coal plants between 2020 and 2206, I think that it's really important that we really look at attempting to achieve the greatest reduction in carbon pollution that is possible, and that includes facing the issue and consideration of retiring costly coal-fired power plants that are in existence, including coal-fired power plants like Colstrip.

As you're aware, the Puget Sound Electric is an owner of a significant portion of those coal-fired power plants. And NorthWestern Energy, more locally, is a smaller owner of those plants. But I think that the economics that were briefly summarized for us estimated that we can reduce the region's carbon footprint by as much as 80 percent, if we were to retire additional existing coal-fired power plants. And I think that it's time to give far more serious thought to that possibility.

In doing so, I would also like to disclose that I'm currently litigating on behalf of the

Montana Environmental Information Center and the Sierra Club under the Clean Air Act the -- their compliance with the New Source Review Provisions, and that litigation is going on. I'm involved in it.

But aside from that, since it's an enforcement action, I think that the Power Council should be critically looking to a much more significant degree the -- those options for existing coal-fire power plants, in addition to the three that were referenced in the open comments.

I strongly applaud the strong efficiency goals that are energy efficiency goals that are in the final plan. I think that they're well supported, and I'm supportive of making sure that they make it into the final draft, and likewise support preserving demand response as a high priority in the final adopted plan.

Both of those demonstrably make economic sense, and they make environment sense. And so I think they're important components of a plan that leads us into a sustainable future, which is something that I know all of us in this room support in concept, if not necessarily in detail.

And finally, I would request that in my

estimation the plan could provide a stronger vision for developing our region's renewable energy resources. I appreciate the comments that were made by both of our local electrical co-ops in terms of what they are contending are questionable cost benefit analyses of our -- these sources of energy.

But I would also say that it is that time in the history when we need to develop and demonstrate some additional methodologies for the production of our power. And I actually applaud the Flathead Electric Co-op who has in our area been a leader in that regard. And it requires both our Power Council, our regional, and our local utilities, and I think our local citizens and businesses.

And in that regard, I have been participating in that. In our recent remodeling of our law office, we installed 14 kW of solar electric, which produces -- in its first year has produced over 50 percent of our electric needs. And we have the benefit of a lot of the incentive programs that I thought were helpful. And we had the benefit of Flathead Electric Co-op allowing us the benefit of net metering for the full 14 kW that are produced.

I realize that we're in this transitional period where it's going to take individual investors, such as myself and my law partners, together with our utilities, and especially our electrical co-ops. And so I want to indicate that I appreciate that our electrical co-ops have been attempting to participate in bringing online these technologies.

I believe that they will -- in the future, they will be an important component of truly creating a sustainable future that is under the -- that when the cloud can be removed for not only this but most importantly for future generations, the cloud of our carbon pollution which is an enormous cost that has yet to be effectively factored into a true cost benefit analysis.

So if we were to truly cost out the production of fossil-based fuels in terms of all of their impacts, I am confident that even as we speak that solar and wind would be viable and economic, were all costs to be properly calculated. Thanks so much to the Council. I appreciate the opportunity to comment.

MR. SMITH: Thank you, Mr. Sullivan. And next is Bruce Measure.

MR. MEASURE: I thought you had 14 people that were going to comment. I'm Bruce Measure. I live at 635 Fifth Street East in Kalispell, Montana. While I am affiliated with Flathead Electric Co-op as a trustee on the their board, I think that their manager and staff have presented Flathead's position very well. And so any remarks that I make will be my own, and I wish they'd be considered that because I don't want to get the co-op involved in some of the concerns that I have.

Just a brief look back at historic Council planning. A number of people have mentioned the fact that this particular plan is much more transparent, and it is. And a number of people have -- and I've looked back at this point in the Sixth Power Plan and meeting in Spokane, and just how much we had done and how much we didn't have done, and what we were proposing, and what we thought we were proposing, and they weren't always the same thing at that point in time. So I have to commend you on the transparency in this power plan.

The other thing that -- I've chaired a number of these meetings, and the two of them that I think I chaired during the last power plan were very interesting. One was in Seattle, right downtown at

the Space Needle, and one was in Missoula, but a number of others as well.

And you get an incredible -- as you get into different parts of the region -- it doesn't have to be a high population portion of the region, but just a different part of the region -- you run into significant disparity in the people that attend.

And oftentimes in the first 10 or 15 minutes of your meeting, using either sweet grass or sage to smudge the facility to make sure that we've driven out all of the evil spirits and made sure that we're going to be thinking good thoughts, we usually say a prayer of some type.

So today for my preparation for this, I have a -- my mother, when she married my father back in the early '40s, they were well educated. She was 30 some years old. He was 40, nearly, or I guess in his mid 30s. And they were going to be living with his mother. And she said, well, if we're going to be doing that, I need a place to run off to when things get a little tough. So she bought a 175-foot beach front on Bitterroot Lake at that point in 1936 or 7. And that's been kind of the place of refuge, and a place to really think and collaborate about what

you're thinking.

And I really didn't know what to think about the Seventh Power Plan, to tell you the truth. So I went out there. And one of the indicators of a high level of energy that goes into the thought process out there are the amount of wildlife that you see. And so when I walked up to the cabin door -- and that's all this is, is a little cabin, a little shake cutter's cabin for cutting cedar shakes -- there were four bald eagles that flew up immediately from the deck and circled around a bit, and then flew off.

And when I got back inside I noticed there were still three of them that were standing in a tree. So I figured that was pretty big medicine in terms of this process. So I figured I'd better give it a good deal of thought before I came in here tonight. And I did, and I really didn't come up with much of anything that hasn't been said so far.

I do -- at one point in time, folks were a little bit concerned about the demand response, and whether or not it was being given short shrift and whether we were relying on efficiency too much.

And efficiency -- Pat, you may remember others, certainly Tom will remember -- that one of

the problems with energy efficiency as a component of the plan was that oftentimes it was endemic to just particular projects. In other words, big box stores in the I-5 corridor could readily deploy tons, and tons, and tons of energy efficiency by just switching out their light bulbs.

Whereas, a retailer in Kalispell, Montana, even a large retailer, a commercial retailer like a grocery store, could -- would have a very, very difficult time meeting those same types of efficiency measures. And there was concern that various points in the region would not get credited with the type of -- with that type of investment that they would make.

So you've solved that problem. You've built that on top of what was already in the Sixth Plan. But the demand response to it, it's very important to keep in the program. The demand response -- well, one of the things we've done at Flathead, and I think we've done very, very well is, we have gone to nearly every sector to see where we can supply energy, cut our costs, and look at the type of things that could favor our customers, and especially in the area of rates.

And so we buy energy from tiny little

power plants that are hydro plants. We've got a gas-fired power plant at the landfill. We are burning slag at the Stoltze sawmill, and just about anything else that we can find to provide energy. And that provides not only for -- to shave our peaks, but it also gives us an opportunity to buy that locally and contribute to the community. And we want to continue to do that. We think that's a good plan for the region.

So the only other thing that I want to talk a little bit about, and it may be -- Pat, you'll have to correct me if I'm wrong -- but the fish program. And the fish program is part of the power plan. However, the fish program was decided long ago, probably last summer, wasn't it? About that time. And the fish program at this point in time is very expensive.

It was noted that it was $275 million, I think, in Council funds. But the ancillary funds that are taken from the other federal agencies, that's the U.S. Fish and Wildlife Service, NOAA Fisheries, and the Army Corps of Engineers, if you aggregate those funds, they account for more than a billion dollars in costs.

And during my term on the Council, one of

the things we tried to do is effectively through both the administration time and through the agencies' leaders at the time a way for they and Bonneville to work together to see if some of these costs could not be reduced in some way, shape or form. Because they get a little ridiculous.

A good example of that is, we have three classes of predators, a number of different predators in each one of those classes: Arctic Terns, and Brandt's Cormorants for one, that primarily nest on spoils islands.

If some of you don't know what a spoils island is, that's where when they dredge out the mouth of the river for the big ships to get in and out, they put the dredge spoils, all the rocks, so that they have a place to put them. Well, no one else wants to go there except for the Arctic Tern and the Brand's Cormorants, neither one of which are native to the U.S., but they are covered under the Migratory Bird Act. So nobody wants to hamper their breeding.

Another set of predators, of course, are the two types of sea lions, the Stellar and the -- I forget the other one. But they like to go upstream and eat all the adult prespawning salmon as well as

the prespawning other fish that are protected, including the sturgeon. And then a third one that's little known about and not much is said about, because they are -- they are game fish in Oregon and Washington -- and those are large mouth -- or small mouth bass and eastern shad, which have the razor sharp teeth.

Oh, gosh, they're the size of a small salmon, but they're half head and their teeth look like they're something out of Piranha. And they're pretty hard on the adults that are moving upstream. And the small mouth bass are pretty hard on the smelts that are moving back downstream.

So in combination with the disruption that the smelts get as they're coming downstream -- the little bitty ones -- when they get there, they're met with all of these wild and crazy things that they've never seen before in their lives, and about half of them get eaten on the way out.

And in addition to that, we stick five billion, between the Japanese, and the Koreans, and the Alaskans, and the Germans, and the Russians, and a couple others, five billion hatchery smelts in there to compete for food once they hit the ocean. And we don't have any problem with sending NOAA

Fisheries out there to negotiate treaties with all of those entities as to how many smelts we're going to put in the ocean, and how safe that is for our fisheries, for our native fisheries that are offshore.

However, we can't for five minutes get the U.S. Fish and Wildlife Service together with Bonneville, and with the Corps of Engineers to set some limits and to talk about lethal take of those sea lions, of those Cormorants, of those -- and of some of those other predators. And some of the things it's just been deadly easy. At one point in time a badger swam out to one of the spoils island and started decimating the Arctic Tern egg program.

And, of course, the Corps of Engineers thought, oh, we can't let this happen, even though badgers are natural -- I think it was a badger -- badgers are natural here, and they're eating only what they eat anyway. They said they better go out and remove the badger, even though they were probably saving thousands and thousands of smelts to go into the ocean that would have much higher rates of survival.

And for a billion dollars a year, those are the kind of things that contribute to ratepayer

dollars. Because they eventually boil down -- even those $275 million in the actual power plan that Bonneville pays for, you know, it's also rolled into what the Corps of Engineers rolls into its plan. You know, that's the cost of operating that dam. The U.S. Fish and Wildlife Service, all those things, those are all taxpayer issues.

I think that you would do well, Pat, both you and Jennifer, I've always felt that Montana had a very, very unique role to play on the Council, and that was the role of spoiler. Because you can triangulate all the other issues, Washington, Oregon, and Idaho, very, very, very well, and very, very easily, you can get practically whatever you want if you just play a little hardball with these people.

And one of the things that you can do with them is you can force them to talk to their governors, to talk to their representatives. The U.S. Fish and Wildlife Service can talk to their representatives, the Corps of Engineers, and Bonneville Power, and NOAA Fisheries, because we don't have any of those offices here. There's no fisheries office in Butte. And there's no Corps of Engineers office in Helena. I guess there is, but

it's a pretty small one. It doesn't have anything to do with fish.

And I think that it's very, very difficult for this governor. And I've worked with your boss, Steve Bullock, and I think he tries very hard to do what he's doing and do it right. But I really don't think he understands completely just how difficult this process is, how removed it is from actual governance problems in Montana, and how you really can't get yourself into any -- did I turn myself off -- and how you really can't get yourself in trouble making some nasty attacks on lions in Oregon, and Idaho in areas of policy that 99 percent of your constituents aren't going to know a thing about or care about. So that's my only admonition as far as the power plan. Thank you very much for having me.

MR. SMITH: Thank you, Mr. Measure. Four eagles is certainly a good sign in my book.

MR. MEASURE: Seven, seven, four left when I got there, and there were three more sitting in the tree that didn't move the entire time that I did all of my preparatory reading and while I took my preparatory nap.

MR. SMITH: Seven is a very good number. Thank you. Next on the list is Richard Cohen.

MR. COHEN: My name is Richard Cohen. I live at 160 Kallner Lane in Whitefish. I'm a master electrician. I participated in the Super Good Cents Program. I built a couple of houses. Every day I get rewards from that program, and I also do a net metering with the co-op here.

I don't have anything specific as far as the plan, but I really see a disconnect between what goes on in the field with what people pay. Ray asked me -- I call these my Tar Sands Community because these homes go up in three months. Most of them don't have any kind of air to air heat pump. They're just standard houses. Most of them probably second homes. And our rate structure just rewards them to continue this policy that energy is cheap.

The Super Good Cents Program was fabulous. I know we sort of have a program now. And I'm not -- I still applaud it with the other efforts. But what it really boils down to is, volunteer effort by the participants to get involved, not mandatory. And energy is too valuable to be just given away.

So I would like to see more effort on the education and real value of the longevity of our structures that we build. And that way, we can better understand how we use our energy, and then

hopefully that leads to a broader perspective of where that energy comes from. Thank you.

MR. SMITH: Thank you, Mr. Cohen. And next is John and Carol Free.

MR. FREE: Good afternoon. My name is John Free. I'm here representing myself. I'm a retired mechanical engineer when the aluminum plant was still open.

I have three comments: The first one is I support the Flathead Electric Co-op statements this evening. I think they represent pretty much, you know, what I feel about how things are, how the plan is and so forth.

The next one is on demographics. I'm sure a lot of energy has been put into putting together this plan. And I'm kind of wondering if demographics for people moving into our area have been included in this. We looked -- just as an example, California has about 44 million people in it. Quite a few of those people are moving in and out of California.

Our area, I believe, is in growth right now and may continue for a while. It depends a lot on the economy. But I think there should be some, perhaps, looking at this idea of what's going to

happen with growth, and if the planning will accommodate that.

The last thing I have to say is, I think the plan represents probably a pretty good and satisfactory plan for retiring coal-fired power plants. I do not believe in accelerating this, as has been proposed this evening. There are a lot of jobs that are -- and I believe if this is done on a gradual basis, it would have less effect on particularly the people working there. Thank you.

MS. FREE: Hello. I'm Carol Free. We're with Flathead Electric. We're just plain members. I'm the one who gets the bill, signs the check, and that's where the money goes. We're told by Social Security this year that there is no such thing as inflation, and yet bills go up. And this hits the normal ratepayer over, and over, and over again. It's not just the electric bill. It's all the bills.

We're dealing with medical choices right now, being retired and on Medicare. And we're seeing medical things going up even though for Social Security there will be no increase in our checks. We're seeing huge percentages of increases in those costs.

So realizing that the normal ratepayer -- and many in our region are retired as we are -- are struggling with bills. And everything that can be done to maintain as low a cost as possible to our co-op members is so very important. Sometimes that gets lost in all the figuring and all the charts and all of that. But the people are having more and more difficulty being able to pay the bills. And electricity is a basic need in our society today.

I know I'm paying a heck of a lot for a fish I never get to eat. I know I'm paying a lot for various plans that may or may not work out. So I ask that you keep the ratepayer in mind constantly as you deal with the issues of providing electricity to our community.

MR. SMITH: Thank you both. And next is Melissa Hartman.

MS. HARTMAN: My name is Melissa Hartman. I am a member of Glacier Climate Action Group, which advocates for the climate. And I live at 436 Park Avenue in Whitefish, Montana.

First of all, I just want to thank everybody who spoke before me. It's been an enlightening experience. This is my first meeting of this kind that I've attended, and it's been very

educational. I guess one of the things that really strikes me is, you know, just kind of hearing about the different costs associated. That's come up quite a bit with engaging in this particular plan.

That being said, I really also appreciated what the gentleman said earlier about how few of the actual costs of carbon emissions are actually factored into what we pay for our energy costs to the climate, cost to our health, costs to the acidification of the oceans. So I just wanted to reiterate to this point because I think it's a really important one.

I want to bring up the importance, or at least the issue, of the cost to future generations and what are they going to have to pay if we do not do something to bring about a reduction in carbon pollution? You know, I think about kids, grandkids and so on. So mostly I just wanted to bring that up and say that I support the efforts, again, noting that there are many costs that, unfortunately, we'll all have to bear as a society and as ratepayers and as utilities.

But, you know, that there is some sacrifice needed, and I support the focus of this plan on energy efficiency, and closing of coal

plants, and investing in renewable resources. And I really hope that we can bring that about in a way that's, you know, certainly thoughtful of the impacts it has, but with the recognition of how critically important these measures are to our future. Thank you.

MR. SMITH: Thank you very much. And next is Stephen, is it, Braun?

MR. BRAUN: Yes. All right, it works. My name is Steve Braun. I live in Whitefish, Montana, and thanks for having this open house.

I guess I'm coming from the same direction, maybe in a slightly different tangent. I look at the planet as being a finite resource, but unfortunately our needs for it are growing all the time, and we're not really being that responsible for that.

I think it's kind of too bad that I hear people complaining about having to pay for the effects of the dams, that we've lived on the largess for, that have been subsidized for many years. And now that we're having to pay for it, it's like people get all bothered by it for fish and wildlife habitat.

And then for -- I totally think it's

important to do the conservation stuff in your plan. Conservation, as you know, is way more efficient than the other manner of generation.

I also think that this would also play into Lincoln Electric's issue if there was a cap and trade on electricity. If there was just a finite amount of electricity that was allowed to be generated, that's going to keep us, maybe -- you know, maybe we will allow other life forms to exist on the planet. And also as Lincoln Electricity's need for what they already have purchased when their agreements goes down, they could sell that on the open mark.

And then also if they got rid of the four dams on the lower Snake River, that's going to then free up a lot of this fish and wildlife money that the co-op seemed to be complaining about. So -- and then that would also -- you know, Bruce was talking about like some of the terns and cormorants that are eating fish. You know, if the dams weren't there, too, the sea lions and a lot of those things wouldn't be an issue too.

So I think that's pretty much about it. And I think you know electricity should be expensive. I know people are on a finite -- some

people that are retired have a finite thing, but they also have like a lot more -- they may have Internet. They may have all these other services that they think that they need now. So I think electricity should be expensive because it has a lot of ramifications. Okay. Thanks. Have a good night.

MR. SMITH: Thank you, Mr. Braun. Next is Steve Thompson.

MR. THOMPSON: Hi, Pat. Thanks for chairing tonight. My name is Steve Thompson. I'm a member of Flathead Electric Co-op. I'm from Whitefish. I am the founder of Climate Realty, LLC. They're a Montana-based business that helps homeowners, investors, and real estate professionals conduct local place-based assessments of risk and readiness related to climate change.

I've reviewed the plan and am pleased to support the plan's emphasis on energy conservation and demand response management as the wisest and most cost-effective strategies to respond to continued population and economic growth to the regions four states.

Our interdisciplinary team of experts finds that climate-smart homes and communities

emphasize energy conservation. They reduce their dependence upon fossil fuels and generate an increasing share of local renewable energy. These are excellent mitigation strategies to reduce carbon footprints and important adaptation strategies that minimize risks associated with volatile energy markets, future carbon pricing policies, and weather and climate-related disruptions to the grid and production facilities.

Americans consume far more electricity power than we need to live comfortable, productive lives, and we're far behind most of the developed nations in terms of energy conservation. For example, Americans consume nearly twice as much electricity per capita as Germans. Here in the Northwest, there also is a great deal of low hanging fruit for improving conservation measures. Per capita consumption of electricity in California is about half of what is in the Northwest on a per capita basis.

Over the next 20 years, we believe that real estate residential markets will place a premium on climate-smart homes and to communities. The Northwest Power Plan's emphasis on energy conservation and incentives to reduce peak time use

will position the region favorably in the years ahead. Thank you.

MR. SMITH: Thank you, Mr. Thompson. And next is John Gangerri.

MR. GANGERRI: I'll pass. I'll file written comments.

MR. SMITH: Okay. That's fine. And next is Charles Jaquet. I apologize for the pronunciation there.

UNIDENTIFIED AUDIENCE: I believe he left.

MR. SMITH: Okay. Then the last person I have on the list -- and feel free to sign up if you'd like to still get on the list -- is Mayre Flowers.

MS. FLOWERS: Good evening. My name, as you said, is Mayre Flowers. I'm here tonight both representing myself. I'm a Flathead Electric Co-op member, but also representing Citizens for a Better Flathead. We've been here in the Flathead since 1992, a county-based organization working to sustain that which is most special about this region, including our quality of life and resources, efficient use of energy and other resources here.

I want to speak in support of the plan, and in particular the plan's goal to meet the energy

load growth with energy efficiency in the next 20 years. We support the continuous emphasis on strong energy efficiency goals in the final plan, as well as demand response.

I want to champion and second a number of comments made earlier about the leadership that we've seen here in this region from Flathead Electric Co-op. We think it's been outstanding, and it's certainly been recognized by others as well, but needs to be held up as a model for other co-ops to move forward with energy efficiency and alternative energy net metering and support.

We know that our co-op has faced difficult decisions in approving, for example, the plant at Stoltze and the purchasing power from their facility there. That was a decision where they purchased power at a higher cost than they might have from other sources. But balancing the need of and recognizing the vital importance of that industry in our community, I think our co-op showed wisdom in moving forward with that purchase.

I want to also encourage the plan to address the need for education. As we as a society and in the Northwest are moving into a changing energy environment, there is, I think, a need at all

levels for education. I think our co-op has done a good job in trying to reach out to the adult population, but I think we also need to reach out to the school population as well.

I think understanding -- I have done tours in the Flathead at the energy facility at our county landfill. And we for almost 20 years took kids through that facility talking not only about waste reduction, but about energy efficiency at the guest energy facility. And to get the kids all in that room and would ask them, what is the best thing that we can do to preserve the energy?

Because I would talk about how many homes that this facility would support here in our community, and that we had a limited amount of electricity coming into the community from our hydroelectric system that Bonneville manages.

And when I asked them what we could do, and usually there wasn't -- you know, it was a lot of kind of shuffling and thinking. And then I'd flip the light switch off. And pretty soon they'd nudge each other, and a teacher might whisper something, and someone would say, we can turn off the lights. We can save energy.

I think those are the kind of

opportunities that we need to increase in our community. And if this plan can provide support for communities to do that kind of education, I think it will increase the effectiveness of our energy efficiency programs through that awareness.

Finally, and just on a personal note, as a grandmom and as someone who, like many, is concerned about our future, I really support the need for strong goals for the reduction of carbon pollution. I understand that this is a difficult transition for us, but I think it is one that we have to give priority to and support the plan in doing all you can to make -- to retain that as a high priority. Thank you.

MR. SMITH: Thank you very much. So that's all I have that were signed up folks. I would welcome anybody else who would still like to give testimony to come forward, if you'd like to. The record will remain open if you choose to comment in other fashions.

I think we're going to keep -- actually, it goes until 8. So I guess I actually can conclude the meeting, if there's no more public testimony. But, again, I'm -- the floor is open if there's anybody else that would like to offer any other

comments.

Let me mention a couple things just so you -- it's already been stated about what happens now. There's hearings held throughout the region on the draft plan. This kicks it off here in Kalispell. We'll be in Missoula tomorrow night, and there are hearings further west of here.

Mike, Roger and Bruce, and maybe some others in the room -- I think firsthand testimony is the best kind. You get to associate faces with people. And so it's at a premium with people coming out to testify, and it's very much appreciated. It's engrained in what we do at the Northwest Power Council to engage the public. It's a statutory directive, and it's something we take very seriously.

The transcript here, as mentioned, is going to be open for ten more days, just because we want to close out that transcript for this hearing. So feel free to submit comments if you want to be part of the transcript, again, until December 18th.

You can take as many bites out of the apple as you want if something else occurs to you, as in additional comments, however you choose. So the record is open through December 18th, and we

very much appreciate all the comments.

I listened carefully to what's been said. And the transcripts are also very helpful for the Council members who can't be here. Again, I mentioned Jennifer Anders, with her family situation. It's very helpful word for word.

She'll read every word that's said here. So these transcripts are available to all the Commissioners and members from Montana. And there's a total of two in our state. So we appreciate hearing from you.

And unless there's no further comments, I think I can -- we had to stay open until 8, I think. So I think I will conclude this hearing. Thank you very much.

(Thereupon, the hearing was adjourned at 8:02 p.m.)

CERTIFICATE

I, David E. Hix, do hereby certify that I reported all proceedings adduced in the foregoing matter and that the foregoing transcript pages constitutes a full, true and accurate record of said proceedings to the best of my ability.

I further certify that I am neither related to counsel or any party to the proceedings nor have any interest in the outcome of the proceedings.

IN WITNESS HEREOF, I have hereunto set my hand this 19th day of November, 2015.

David E. Hix

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