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August 9, 2022

DECISION MEMORANDUM

TO: Council members

FROM: Steven Simmons

SUBJECT: Scoping for an End Use Load Forecast Model Contract

PROPOSED ACTION: Staff recommends authorization to contract with Cadeo Group LLC for an amount of \$48,845 to guide scoping for an end use load forecast model. This includes an assessment of requirements, and the identification and vetting of forecasting tools that meet might the requirements, as well as a final recommendation.

SIGNIFICANCE: The Council's 2021 Northwest Power Plan identified several dynamic changes taking place across the west that impact our power system. In particular, potentially significant increases in future electric loads, depending on the extent of building electrification, transportation, and other new demand such as hydrogen production. Given this dynamic change and the potential interactive effects, the Council will explore new tools to improve our long-term load forecasting.

BUDGETARY/ECONOMIC IMPACTS

Staff recommends authorization to contract with Cadeo Group LLC for an amount of \$48,845 for the project. The project would be spread across the 2022 and 2023 fiscal years. The proposed project is broken into individual tasks. The initial tasks are proposed to be completed in fiscal year 2022 for an amount of \$6,375. This would include a project kickoff and a completed outline of identified requirements. The

remaining tasks would be completed in fiscal year 2023. These tasks include the identification and vetting of potential tool options and a suggested path or recommendation. The recommendation will be considered during following step of selecting and implementation an any end use load forecasting product.

BACKGROUND AND ANALYSIS

Per the Northwest Power Act, as part of its regional power plan, the Council is required to develop and include “[a] demand forecast of at least twenty years...”.¹ In addition to producing the long-term demand forecast, data from the load forecast model is used to inform the energy efficiency and demand response potential assessments.

In order to identify and evaluate the potential tools that would meet both current and future needs, enlisting the expertise from an outside organization will be helpful to ensure that no options are overlooked.

ALTERNATIVES

In the alternative to proceeding as recommended by staff, the Council could proceed without support. This would entail staff determining the load forecast requirements and performing research into available options. However, given current limited staffing resources, support is recommended. In addition, there is added benefit from evaluating the findings and recommendations of outside expertise.

¹ Northwest Power Act, Section 4(e)(3)(D), 94 Stat. 2706.