MEMORANDUM

TO: Council Members

FROM: Jennifer Light, Director of Power Planning

SUBJECT: Committee Update and Planning: Mid-Term Assessment and Ninth Plan Timeline

BACKGROUND:

Presenter: Jennifer Light

Summary: The Power Committee will start with another Committee Update and Planning item. In addition to providing a general update, Jennifer will share out staff recommendations for the planned Mid-Term Assessment of the 2021 Power Plan. Jennifer will also touch on early thinking about the timeline for the ninth plan. This will be informed by the power division staff retreat held in early October.
Committee Update and Planning

October 11, 2023
Topics for Today:

- October meeting topics connection to the work plan
- Highlight a few division updates, and some work needed in the next couple of weeks
- Focus on the outcomes from the staff offsite
  - Draft outline for the 2021 Plan mid-term assessment
  - Early thinking on the ninth plan
October Meeting Topics (Part 1)

- Our meeting time continues to be focused in large part on implementation of the plan.
- Includes:
  - Check in on the conservation program elements
  - Continues the conversation on transmission
  - Weighing in on regional discussion around post-2028 power contracts with Bonneville

### Primary Function

A. Implementation of the 2021 Power Plan and Development of the Mid-Term Assessment

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<th>Tasks</th>
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<td>1. Tracking and reporting on energy efficiency accomplishments relative to the 2021 Power Plan Conservation Program.</td>
<td>Annual Report - Q3</td>
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<td>2. Tracking and reporting on generating resource builds, both in region and across the WECC, as compared to the 2021 Power Plan analysis and strategy.</td>
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<td>3. Tracking and reporting on demand response efforts in the region relative to the 2021 Power Plan.</td>
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<td>4. Tracking and reporting on progress across other elements of the 2021 Power Plan, including model conservation standards, research, etc.</td>
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<td>5. Convening and/or participating in regional discussions on topics related to the 2021 Power Plan recommendations, including hydro flexibility and assessment of refined datasets to inform consumer impacts.</td>
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### A.1. Reporting on Plan Implementation

1. Develop an updated fuels price forecast. Q4 2023
2. Create an updated in region hourly load forecast and updates to WECC-wide loads to inform the Adequacy Assessment. Q1 2024
3. Update the wholesale electricity price forecast and the related emissions forecast. Q2 2024
4. Conduct the regional Adequacy Assessment and prepare report detailing the analysis and findings. Q3 2024

### A.2. Conduct Periodic Studies on Regional Adequacy

1. Track emerging technologies, both supply and demand side, providing periodic updates to the Council. Ongoing - Quarterly Reports
2. Coordinate with regional utilities on integrated resource planning and other activities to share plan findings and leverage utility insights and advancements. Ongoing - Annual Report
3. Track markets efforts, including day-ahead market offerings and transmission planning, to inform Council analysis Ongoing - Quarterly Reports
4. Track local, state, and Federal policies that impact the energy system and provide periodic reports to Council on new developments. Ongoing - Annual Report
October Meeting Topics (Part 2)

- We are also revisiting the topic of a new capital expansion model for the 9th plan
  - A decision today is needed to keep us moving forward and ensure enough time for development in advance of the need for the plan
- RTF support is a mix of implementation of this plan, and preparation for the next plan
# Division Updates

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<td>⚡</td>
<td>Small contract to frame out a modeling path for distributed energy resources, which we will be working on over the coming months</td>
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<td>Building out our new long-term load forecasting tool and looking forward to updating the Council on progress in a few months</td>
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<td>Western Transmission Expansion Coalition concept paper released and will be working to provide comments by end of month</td>
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<td>Staff offsite refined thinking on mid-term assessment and started framing out ideas for ninth plan</td>
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Looking Ahead to the Mid-Term and Ninth Plan
Assessment of the 2021 Power Plan

Direction from the 2021 Power Plan:

“The Council’s work to monitor and evaluate the region’s evolving system and policies will keep pace with new data and analysis in this rapidly changing industry. Any changes or unexpected developments will be reported, as available, and reflected in the 2021 Power Plan’s mid-term assessment.”
Objectives of Mid-Term Assessment

• This assessment would aim to:
  – Provide a check in on the plan around what has been accomplished and what has changed since the plan
  – Connect all the different elements reported to date into a clear narrative
  – Use any insights to outline early thinking from ninth plan analysis

• Staff recommends streamlining resources and focus efforts more on preparation for the next plan
  – Connect the dots between existing work (e.g. resource development, market prices, adequacy)
  – Avoid new analysis (e.g. exploring new strategies or risks)
  – Approving one version, and not going through a draft for comment process
Proposed Outline

1. Executive Summary
2. Introduction
   A. Background on 2021 Power Plan
   B. Objectives of Assessment
3. Changes in the Power System
   A. Evolving Policy Landscape
   B. Update on Regional Electric Loads
   C. Implementation of the 2021 Power Plan Resource Strategy
   D. Implications for Resource Adequacy
   E. Advances in Research and Development
4. Looking Ahead to the Council’s Ninth Power Plan

- Updated regional long-term load forecast
- 2021 Power Plan Resource Strategy relied on each element (e.g. reserves, renewables, demand-side resources, market prices). Changes in one area have implications for another. This section will connect those elements and outline implications.
- Incorporate findings from next year’s adequacy assessment to further inform the narrative
Draft Themes to Explore in Ninth Plan

• Bonneville specific resource acquisition guidance

• Uncertainty around resource costs and availability, including:
  – Exploring different strategies across different cost assumptions
  – Exploring implications of resource availability (ex: supply chain issues)
  – Includes understanding how emerging technologies might fit
  – Also includes understanding of transmission risks and the differential locational value of resources

• Trade-offs with hydro system flexibility:
  – Exploring implications of more limited daily river fluctuations relative to current constraints

• Other changes in policies, markets, system operations, loads, etc.
Draft Timeline for Ninth Plan Development

2023
Tool development has already started

Q1 2024
Framing out questions to explore and data needs

2024-2025
Building resource options, assessing needs, potentially starting scenarios

2026-2027
Scenario analysis, developing strategy recommendations, finalizing a plan

Initial thinking was a plan in 2027. Staff is exploring whether moving this forward into 2026 is feasible. This depends on many factors.
Questions
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**B. Preparation of Tools and Data for the Ninth Power Plan**

**B.1. Tool Enhancement**

1. Update load forecasting capabilities to better reflect the current power system. | Selection - Q1 2023, Built Out - Q1 2024 |

**B.2. Enhanced Data and Modeling**

1. Develop approaches to improve the data assumptions and modeling of commercial and industrial energy efficiency potential. | Q2 2023, Ongoing |

| | Ongoing - Annual Report |
| | Ongoing |
| | Ongoing - Annual Report |
| | 2024 or Later |
| | Ongoing |
| | Ongoing |

**Work Plan Reminder**