

**Phil Rockefeller**  
Chair  
Washington

**Tom Karier**  
Washington

**Henry Lorenzen**  
Oregon

**Bill Bradbury**  
Oregon



## Northwest Power and Conservation Council

**W. Bill Booth**  
Vice Chair  
Idaho

**James Yost**  
Idaho

**Pat Smith**  
Montana

**Jennifer Anders**  
Montana

### **Council Meeting February 10, 2015 Portland, Oregon Minutes**

Council Chair Phil Rockefeller called the meeting to order at 1:30 p.m. All members were present.

Council Member Bill Bradbury, Fish and Wildlife Committee Chair, summarized the meeting earlier that day. He said that a draft letter for the Independent Scientific Advisory Board (ISAB) and the Independent Scientific Review Panel (ISRP) was prepared by Staff that reviews critical uncertainties in the research plan. The letter asks the two entities to provide advice on whether the research is identifying regional uncertainties.

Bradbury also reported:

- Grant PUD gave a presentation on actions to reduce Caspian tern predation on the mid-Columbia River. The terns were consuming almost 16 percent of steelhead smolts in the mid-Columbia region. Hazing activities successfully reduced predation to three percent in 2014. Unfortunately, it also increased predation in other areas nearby. The larger plan is to relocate the terns to an area where they won't do as much damage, such as San Francisco Bay.
- Mark Fritsch summarized a subcommittee meeting held by Council Member Booth that looked at ways to reduce O&M costs. Staff put together a timeline for accomplishing this work, and it will present it to the full Council in March.
- The committee discussed developing salmon and steelhead objectives with the National Oceanic and Atmospheric Administration (NOAA). Staff shared its timeline for meeting Council goals by the end of this year, and wants to see how it aligns with NOAA's process, but it would take the Council off its current 2014-15 timeline. Still, the committee feels strongly that it makes sense to collaborate with NOAA.
- A meeting on the regional coordination of fish and wildlife issues will be held in the Council boardroom on March 19.
- There are five umbrella projects in Columbia Basin on which about \$10 million is

being spent. Administration costs are between 6-20 percent, and 20 percent is low for most of our projects overall.

**Power Committee Report:** Council Member Pat Smith, Power Committee Chair, reported on several developments toward completing the Council's Seventh Regional Power Plan (Seventh Plan). Discussions were held about which resources will be considered for the Regional Portfolio Model, how much conservation potential will be factored into the plan, and there was a high-level description of different future risk scenarios.

- Smith said that the Seventh Plan will be the first to incorporate more robust modeling to help meet peak needs. The updated Regional Portfolio Model (RPM) enhances the Council's ability to test a new resource's capability to provide peak capacity system support, and can satisfy energy adequacy requirements. Smith said that one specific change, for purposes of the RPM analysis, is that Demand Response (DR) resources will be sorted by cost instead of by seasonability, and will be placed into three different cost bins. This will come before the full Council in March.
- Smith also reported on conservation supply curves in the Seventh Plan, noting that Council Staff's preliminary estimate of remaining conservation potential has decreased – 25 percent less – from the Sixth Plan. Staff predicts load decreases in all sectors due to the success of programs in energy efficiency, and federal standards and state codes. It contributes to load reduction forecasts for residential, commercial and industrial sectors. Bucking the trend is agriculture, where the region will see an increase in load. In terms of conservation, a lot of the low-hanging fruit has been accounted for in the Sixth Plan. The Conservation Resources Advisory Committee (CRAC) will review its findings one more time, and will be making a presentation to the full Council in March.
- Staff presented a high-level summary of the generating resource characteristics to be included in the modeling for the Seventh Plan. A consensus on including four resources was reached: utility-scale wind and solar, natural gas peakers (single cycle turbines and reciprocating engines) and combined-cycle natural gas combustion turbines. The addition of solar as one of the factors is new, as it was not an input in the Sixth Plan.
- Last, the Power Committee had its first look at the list of potential scenarios modeled in the RPM — 14 in all. Two deal with existing scenarios, without carbon reduction risk. Five carbon risk scenarios, two study the major loss of a generating resource, two incorporate conservation mandates with more aggressive and slower paths, two explore the costs and risks associated with reliance on out-of-region electricity market resources, and one considers the impact of climate change. The committee also discussed ways to gather more input from stakeholders.

**Public Affairs Committee Report:** Council Member Jennifer Anders, committee chair, said that they did not meet last month but will meet following the Council Meeting.

## **1. Update on Power Plan review and publication schedule**

Tom Eckman, director of the Council's power division, described his overview of the planning process as introducing the Council members "to their next year of life." Tom

Eckman reported on the Staff's Seventh Plan progress. Having developed the draft scenarios, Staff will commence its resource portfolio analysis next month. Staff is aiming for May to produce the annual adequacy assessment, which determines loss of load probabilities for 2020 and 2021. It will be produced independent of the Seventh Plan. Staff then will begin delivering Seventh Plan chapter drafts to the Council. The aim is to produce a draft Seventh Plan this September, have public comment in October, and produce a final plan in December.

Bradbury asked what is contained in the RPM. Eckman replied that the RPM tries to sort, through a series of resource strategies, and identify those that have the lowest cost, but at a particular level of risk. Using an insurance analogy, the Council wants to buy the lowest premium it can for the best coverage. The scenario analysis is largely to go through stress testing through various positions to see if things change very much. Eckman said we want strategies that are robust across a wide range of conditions that might be faced, especially those that have commonalities during the first five-to-10 years.

Chad Madron, project analyst, said that those who wish to track the Seventh Plan's progress can go to the Council's new [Seventh Plan webpage](#).

## **2. Update on the NOAA Regional Assessment process and coordination with Council processes**

Tony Grover, director, fish and wildlife division, introduced Barry Thom, NOAA Deputy Regional Administrator. Thom proposed collaborating with the Council on long-term goal setting, including establishing a joint steering committee. Thom presented a four-step process for: identifying and mapping listed and nonlisted salmon and steelhead, holding discussions with stakeholders, seeking a consensus on long-term goals, and setting strategies for achieving them.

Council Chair Phil Rockefeller, said that the fish committee members were positive about the proposal for a joint effort. "I wonder if we should prove the concept first, and demonstrate that we can accomplish the integration with some testbed cases. After we've compiled the information available, it might be useful to select some target species or watersheds, and see whether we can pull together the conversation that needs to occur."

Council Vice Chair Bill Booth, said that while a collaborative effort makes sense, he first wants to see how the region is doing in terms of and how far away it is from meeting its recovery goals, particularly in Idaho.

"It will be a stretch to meet those recovery goals in many of our streams," Booth said. "I'd like to maintain the Council's outline, and move in phase-by-phase approach as to whether our goals will intertwine with NOAA's. We'd like to see some delisting done. I'm not ready to commit to steps two, three and four until we see what the results of step one are."

Rockefeller asked if there was a consensus among members that the Council should collaborate with NOAA on step one, which is identifying and mapping listed and nonlisted salmon and steelhead. Thom said that Staff and NOAA would have to come up with a timeline, but it could easily require the remainder of the year.

Council Member Yost expressed reservations, stating, "We already have a lot of groups in the region already and I'm not too enthused about starting another group. In Idaho, we're trying to get our hands around the ESA (Endangered Species Act), and you want to move

the goal posts ahead. We'd feel better if we had more confidence that we were making progress that we were moving to recovery and delisting."

"When you have these recovery goals and positions, the utility ratepayers are the ones paying for it," Yost said. "When we meet recovery goals and ESA requirements, the ratepayers are finished with it. This extra effort you want to go through, but you'll have to do it on someone else's dime. I'm okay with doing phase one, but I'm not really excited about it."

Thom recognizes that there's a perception that NOAA is trying to go beyond ESA, but that's not necessarily the case. Just getting to recovery may be as far as we can get, he said. In some areas, he hopes they can go further, but he doesn't presuppose that this process gets there. Given all the different interests, to get buy-in to these goals, they have to be goals that everyone can agree upon. This isn't about moving the goalposts.

Council Member Tom Karier welcomed the invitation to collaborate and the opportunity to set targets for a large, multimillion-dollar program. He agrees with Chairman Rockefeller to focus on step one, and that if we can get it done in a year, that's doable. Collecting information by hatchery would move the region forward.

Thom asked if there's a hard and fast timeline for moving forward. Rockefeller replied that we can either go fast alone or far together. "We favor going far together, but we should move will all deliberate speed." He asked Tony Grover to work with NOAA's staff to adjust timetables for collaboration on step one.

A consensus was reached to proceed on step one with NOAA: identifying and mapping listed and nonlisted salmon and steelhead.

### **3. Council decision on adoption of Fish and Wildlife Program findings**

John Shurts, general counsel, reported that Staff will have a complete draft by the end of the week. It will be circulated to Central and State Staff, and will be sent to Council Members by February 24.

### **Council Business: Adoption of minutes**

As his first official act as Vice Chair, Booth moved that the minutes be approved. Bradbury second. Motion passed unanimously.

### **Public Comment: None.**

The Council Meeting adjourned at 3:45 p.m.

Approved March \_\_\_\_\_, 2015

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Vice Chair