

FRANK L. CASSIDY JR.
"Larry"
CHAIR
Washington

Tom Karier
Washington

Eric J. Bloch
Oregon

John Brogoitti
Oregon

NORTHWEST POWER PLANNING COUNCIL

851 S.W. SIXTH AVENUE, SUITE 1100
PORTLAND, OREGON 97204-1348

JUDI DANIELSON
VICE CHAIR
Idaho

Jim Kempton
Idaho

Ed Bartlett
Montana

John Hines
Montana

Fax:
503-820-2370

Phone:
503-222-5161
1-800-452-5161

Internet:
www.nwcouncil.org

November 1, 2002

DECISION MEMORANDUM

TO: Council

FROM: Terry Morlan

SUBJECT: Appointment of four new IEAB members and approval of their contracts

PROPOSED ACTION

Appoint four members to the Council's Independent Economic Analysis Board. Approve four-year contracts for these new members.

BUDETARY/ECONOMIC EFFECTS

Each individual IEAB member contract is for \$22,000 a year for four years. The four new IEAB contracts, therefore, total \$88,000 a year, and over the four years of the contracts would total \$352,000. The annual cost of these individual contracts was included in the estimated annual cost of the IEAB that were included in the decision memorandum to renew the IEAB charter.

BACKGROUND

The IEAB charter specifies the terms of IEAB members and the process of appointing new members. Four members are scheduled to rotate off of the IEAB at the end of this year. The four members whose terms will expire are Joel Hamilton, Lon Peters, Jack Richards, and Paul Sorensen. All of these members, except for Paul Sorensen, applied for reappointment.

We received a total of 13 applications for IEAB membership, including the three applications for reappointment. A list of applicants is attached. As specified in the IEAB charter, a nominating committee appointed from the board of the Pacific Northwest Regional Economic Conference has made its recommendations to the Council based on a review of the 13 applications for IEAB membership. A memorandum from the nominating committee is attached to this decision memorandum.

IEAB members are paid for their time spent on IEAB tasks and reimbursed for travel expenses. This necessitates individual contracts between IEAB members and the Council.

ANALYSIS

The nominating committee recommended the appointment of four persons to fill the four positions open on the IEAB. In addition, two qualified applicants were identified as alternates in case of difficulty appointing any of the four recommended nominees.

The four recommended appointments were Dr. Joel Hamilton, Dr. Lon Peters, Dr. Susan Hanna, and Dr. Noelwah Netusil. Drs. Hamilton and Peters were previous members of the IEAB who made valuable contributions and reapplied for another four-year term. Dr. Hanna is an economist at Oregon State University and a current member of the ISRP and ISAB. Dr. Netusil is a professor of economics at Reed College. The two alternate nominees are Dr. Norman Whittlesay (Washington State University, retired) and Dr. Christopher Carter (Oregon Department of Fish and Wildlife).

RECOMMENDATION

There was complete agreement among the three members of the nominating committee on the best-qualified applicants for IEAB membership. My own assessment of the nominees and their areas of expertise agrees with the nominating committee's findings. Therefore, I recommend the following appointments to the IEAB.

- Dr. Joel Hamilton
- Dr. Lon Peters
- Dr. Susan Hanna
- Dr. Noelwah Netusil

ALTERNATIVES

Based on your own opinions, or comments you may have received about the nominees, the Council may wish to make a different appointment from among the nominees selected by the nominating committee. If there is difficulty with any of the four recommended IEAB members, one of the alternates could be selected.

Attachments

October 24, 2002

MEMORANDUM

TO: Northwest Power Planning Council

FROM: PNREC Nominating Committee for the Independent Economic Analysis Board

SUBJECT: Nominees for Independent Economic Analysis Board

The PNREC (Pacific Northwest Regional Economic Conference) Nominating Committee for appointments to the Council's Independent Economic Analysis Board (IEAB) has evaluated 13 applicants to fill four open positions on the IEAB. In this memorandum, we provide our recommendations for the best-qualified candidates.

The applicants were evaluated primarily against four criteria, with assigned weights in parentheses, as listed below:

1. Qualifications and experience in areas of economic analysis relating to fish and wildlife policies or the potential effects of those policies on other sectors of the economy (.4);
2. Ability to provide credible advice and analysis that is objective and independent, and widely perceived to be so (.3);
3. Familiarity with Pacific Northwest salmon policy issues (.1);
4. Contribution to a diversity of relevant expertise on the IEAB (.2).

In the evaluation process, each nominating committee member scored each applicant on a scale of 1 to 5 on each of the criterion. Each nominating committee member's scores for a candidate were weighted by the weighting factors to get a weighted average score. The committee then compared ratings and discussed them in a conference call. Then revised ratings were submitted and compared among the IEAB applicants. The highest possible score for an applicant would be a 5.

The committee has selected 4 applicants that are well qualified to fill the IEAB positions. Each of these applicants had an average score across all three nominating committee members of greater than 4. We understand that independence is an important issue for the IEAB and have attempted to assess that. However, it is our understanding that the Council may receive comments on these proposed IEAB members. If for some reason any of the four recommended members of the IEAB are not acceptable to the Council, the nominating committee was identified two alternate candidates that are also well qualified to serve on the IEAB.

There was substantial agreement among the committee members that the following four persons should be appointed to the IEAB. This group includes two current members of the IEAB who applied for reappointment.

Recommended Appointees -

- Dr. Joel Hamilton - Current IEAB member and past Chair, University of Idaho
- Dr. Lon Peters - Current IEAB member and Vice-Chair, Northwest Economic Research Inc.
- Dr. Susan Hanna - Current member of ISRP and ISAB, Oregon State University
- Dr. Noelwah Netusil - Professor of Economics, Reed College

There was also substantial agreement that the following two alternate candidates would be qualified to serve on the IEAB if any of the above recommended appointees were not acceptable to the Council.

Alternate Candidates -

- Dr. Norman Whittlesay - Washington State University, Retired
- Dr. Christopher Carter - Oregon Department of Fish and Wildlife

The Board of the Pacific Northwest Regional Economic Conference has been pleased to assist the Council in its selection process for this important committee.

The Members of the PNREC Nominating Committee:

Dr. W. T. (Tom) Trulove
Eastern Washington U.

Dr. William B. Beyers
University of Washington

Ms. Deborah A. Kitchin
Interworks, LLC