

Melinda S. Eden
Chair
Oregon

Joan M. Dukes
Oregon

Frank L. Cassidy Jr.
"Larry"
Washington

Tom Karier
Washington



Jim Kempton
Vice-Chair
Idaho

Judi Danielson
Idaho

Bruce A. Measure
Montana

Rhonda Whiting
Montana

January 4, 2006

MEMORANDUM

TO: Power Committee

FROM: Terry Morlan

SUBJECT: Status of Power Plan Implementation and Work Plan

I will give the Power Committee an update on the status of the power plan. This will be a summary of important planning assumptions versus actual recent information and a general assessment of implementation. This is only an interim report, not the biennial power plan status report called for in the implementation plan. The biennial report will be done in December 2006 or January 2007.

The second part of this agenda item will be the unveiling of a new format for the Power Division work plan. This is still a work in progress, but I wanted to get Council feedback on it. I have tried to make it readable, which seems like a good start as the Power Committee pointed out after looking at the old work plan format.

The work plan identifies as milestones things that we expect to come up during the year on a quarterly basis. This is intended to give Council members a forecast of the likely topics for meetings throughout the year. The status row will be entered at the beginning of each quarter as part of the work plan report to the Power Committee. Some activities are ongoing efforts and don't fit into a quarterly framework. Those are generally described in the last row of each action item under comments.

Both the work plan and the status report can be accessed at the links provided on the electronic agenda that you will receive. The status report is also attached to this memo.

q:\tm\council mtgs\jan 06\p4 memo workplan and status.doc

Summary of Activities in Major Action Plan Categories

January 2006

Conservation [Eckman/Grist]

Staff has been supporting Bonneville's implementation of programs designed to achieve the 5th Plan conservation goals. This includes developing calculators and methods for savings estimation, development of software for determining reimbursement levels for utility conservation programs and reporting of conservation activities by utilities. Other ongoing activities include management and operation the Regional Technical Forum (RTF), working with several regional utilities to develop energy conservation assessments and analyses for Integrated Resource Plans, coordinating and providing inputs on various regional and national conservation initiatives or research and disseminating findings from the 5th Plan regarding conservation's risk mitigation value.

Adequacy [Gibson/Fazio]

The Resource Adequacy Forum, initiated by the Council in 2005, has made excellent progress toward making an initial recommendation for a northwest standard. The Forum's technical committee has prepared a draft recommendation for the steering committee to discuss at its January 24th meeting. It is anticipated that this draft will then be passed on to the steering committee's constituents for approval. This includes a review by the Council. A final recommendation from the committee will then be made during the second quarter of this year. The final recommendation will then be forwarded to the WECC subcommittee working on west-wide resource adequacy standards.

Bonneville Role [Morlan]

Staff has been involved in the regional dialogue process and has reported to the Council on a regular basis. The regional dialogue has moved into the backrooms where utilities are working on agreements regarding residential exchange settlements, resource removal rights for partial requirements utilities, cost control, and dispute resolution. There still seems to be strong commitment to the goal of limiting Bonneville's role in acquiring new resources and placing the responsibility clearly on utilities, but the details are difficult. Bonneville is scheduling a Principles Management Group meeting toward the end of February, and plans to issue a draft record of decision toward the end of March.

Paul Norman will report to the Council on the status of the process from Bonneville's perspective and what Bonneville's leaning are at this time on some of the important issues.

Generation [King]

Approximately 1610 MW of generating capacity is under construction or has been placed in service during 2005. This includes 865 MW of wind power, a 399 MW gas combined-cycle plant; two gas peaking plants totaling 216 MW, a 133 MW coal project and 17 MW of small biomass facilities. Most of the output (86%, or more) will serve IOU loads. Construction of at least 350 MW of additional wind capacity is expected over the next two years, driven by extension of the federal production tax credit. Though the timing of these acquisitions is much earlier than foreseen in the Plan, they are consistent with the call (Action GEN-5) for the development of cost-effective and lost opportunity renewable and cogeneration resources (the three natural gas plants and the coal plant were under construction prior to adoption of the 5th Plan).

The plan calls for initiation of option development for 1500 MW of wind and 425 MW of coal IGCC by 2010, and default development of a 400 MW coal option if IGCC technology does not advance as expected. Though it is not clear how current project construction will affect these needs, an adequate inventory of fully optioned projects and projects will be available if current trends continue. As of Q4 2005, the regional inventory of optioned (permitted or near-permitted) projects not under construction includes approximately 7600 MW of gas-fired generation, 920 MW of wind power, 780 MW of conventional coal and 100 MW of small hydro. Though a portion of this gas-fired capacity consists of projects developed in response to the 2000-01 energy crisis that may not be maintained by their developers, no gas options are called for in the 5-year action plan. Current project development activity will supplement this option inventory. Projects under active development include about 1600 MW of wind, 2400 MW of gas-fired power plants, 1350 MW of coal (including the proposed Energy northwest IGCC plant) and about 180 MW of non-wind renewable energy projects.

The plan calls for Council staff to prepare an assessment of the commercial status of coal gasification combined-cycle (IGCC) power generation by 2007 (Action GEN-7A). This assessment will assess the feasibility of placing a coal gasification power plant in service as early as 2016. If recent commercialization of IGCC power generation is found not to support this timing, the Plan recommends initiating development of a default option for a conventional coal-fired power plant during 2007. The staff intends to prepare the assessment of IGCC commercial status during 2006, with the assistance of the IGCC Advisory Committee. Staff will convene the IGCC advisory committee during the first quarter of 2006 to identify indices of commercial progress, criteria for determining “satisfactory progress”, and to develop a report outline.

Action GEN-8A calls for the Council to develop wind confirmation plan to ensure the feasibility of the large-scale wind development called for in the plan. The current level of wind development activity and the project development excitement engendered by extension of the federal production tax credit is confirming the availability of a large-scale resource. For example, commercial-scale projects are under construction at five new wind resource areas (Judith Gap (MT), eastern Kittitas Co. (WA), central Horse Heaven Hills (WA), Garfield Co. (WA) and Idaho Falls). The Northwest Transmission Assessment Committee is assessing interconnection requirements for up to 5000 additional MW of windpower in Oregon and

Washington, and a second NTAC study is assessing the feasibility and cost of transmission interties to provide access to BC coastal and central Alberta windpower. However, a comprehensive assessment of possible impediments to the development of the windpower called for in the plan is timely. During the first quarter of 2006 staff will discuss the advisability of establishing a formal advisory committee comprised of industry representatives to support this action. If this approach seems reasonable, a charter will be brought to the Council for approval.

Transmission [Gibson]

The Council has been briefed on the regional efforts to resolve the list of transmission problems that the Council's plan enumerated. Since the last Council meeting, there has been activity to revise the Grid West bylaws to make them more consistent with the organizational interests of the remaining supporters, now that Bonneville has dropped out. There has also been activity to review the market design and the benefit and cost study to determine whether the design can still work or be modified reasonably to encompass the new relationship with Bonneville and whether the potential benefits still justify an approximately 18 month - two year funding commitment by the supporting transmission owners. The Grid West Forum (successor to the RRG) will discuss that work by on January 9-10, and the utilities will make their funding decision in late January.

There has been no further public statement by Bonneville on how it intends to go forward on the transmission issues.

The Northwest Transmission Assessment Committee (NTAC) of the Northwest Power Pool is conducting three assessments of long-distance transmission required to integrate potential new resource development. An assessment of incremental upgrades to support additional resource development in eastern Montana was released in November of 2005. An assessment of options to access northern BC & Alberta resources will be completed during 2006 and an assessment of integration requirements for large-scale development of Oregon and Washington windpower is getting underway. Though these are preliminary assessments and would have to be followed by detailed engineering and corridor studies prior to implementation, the cost and capacity information that they will provide are adequate for Council Plan and utility IRP assessments of resource availability and cost. Information developed for these studies will greatly expand the scope of resource options that can be considered in future Plans.

Monitoring [Morlan/input from others]

There are two aspects to monitoring; one is assessing the assumptions behind the power plan as they compare to the evolving facts, the other is monitoring the implementation of the Council's power plan. Staff has been monitoring the important assumptions behind the power plan on a regular basis and maintaining databases for the analysis of these trends. The Council has received reports on energy prices, for example, which are currently at the high end of the Council low to high forecast range, but well within the volatility that was analyzed using the portfolio model. We have taken a look at electricity demand data through November 2005 and compared it to our forecast range. This comparison shows that actual electricity use is about 1200 average

megawatts below our medium forecast and therefore between the low and medium-low forecasts. This is consistent with energy prices being higher than the forecasts and the continuing effects of the large electricity price increases in 2000-2001.

Staff has reported to the Council on generation development in the region. This is summarized in the generation section above. In general, resources are being developed more quickly than called for in the Council's plan, but the types of resources being developed are generally consistent. Most of the new generation will serve investor-owned utility loads.

Demand Response [Corum]

Since the October report, no further demand response workshops have been held - we will schedule one in February, with an agenda of documenting the points of agreement on measuring cost effectiveness of demand response, discussing recent developments in DR programs in our region and elsewhere, and taking up questions such as how to treat "non-firm" demand response, estimating the overall size of the resource, and pricing strategies.

Council staff is participating in technical advisory groups connected with two demand response research projects in California. One project is to develop a methodology for estimating the value of demand response, which is closely related to our workshop discussions of cost effectiveness. The other project is to examine electricity rate structures as they provide incentives to customers to modify their usage in response to power system conditions. This topic too is of great interest in our region, and we expect to take it up in future demand response workshops. The technical advisory group participated in the selection of contractors and will review reports on Phase 1 of the studies, due January 13. The technical advisory group will also meet with the contractors on January 31 and discuss directions for further work.

Non-Action Plan Work [All staff]

We expect to be able to hire a Manager of Economic Analysis in January. One of the manager's first priorities will be to develop a plan for meeting the future demand forecasting needs of the Council.

Development and documentation of the Olivia model is continuing. Contractor work on the Olivia model helped the Council make important technical advances and provided for improved use by others in the region. Work halted temporarily in the 4th quarter of 2005 to enable Staff to shift efforts to more urgent tasks. Work will resume 1st quarter 2006 and we expect to be able to complete the utility version of the model during the third quarter of 2006 and begin training workshops for utilities that are interested in using the model.

Work is ongoing to improve the Genesys Model's data and its consistency with other models used by Bonneville Power Administration. [Should we say something about the work on the Genesys model?]

Collecting data and maintaining databases that are necessary to our planning is an ongoing effort in the division. We spend substantial amounts of time and resources making the plan and its underlying data available to the public. Staff is preparing a near-term market price forecast to support assessments of the cost implications of modified hydro operations.

We have assigned individual staff members to track utility integrated resource planning processes. In this way we can provide information and data to help utilities plan and we can follow how utilities' plans relate to the actions and priorities in the Council's power plan.

Power Division Workplan Tracking and Assessment

Develop a strategic plan for conservation acquisition: CNSV-3

COUNCIL STAFF	OTHERS
Tom Eckman, Charlie Grist	Council, BPA, utilities, SBC Administrators, Alliance, regulators, state energy offices, efficiency industry, other stakeholders

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Establish quarterly meetings with regional coordination group. Identify progress and gaps in implementation. Prioritize and schedule solutions.	Complete scoping study to develop workplan for roof-top HVAC systems in progress under RTF. Prioritize and initiate other scoping studies under RTF.		
STATUS	Contract for scoping study to develop workplan for roof-top HVAC systems in progress under RTF.			
COMMENTS	Revised to be an ongoing assessment of progress and gaps and subsequent development of solutions to fill those gaps. Staff work on the conservation strategic plan has evolved into an analysis of regional conservation implementation activities; identification of gaps in plans and achievements; and cooperative development of solutions and initiatives to fill the gaps.			

Revise and adopt state and federal energy codes and efficiency standards that capture all regionally cost-effective savings: CNSV-6

COUNCIL STAFF		OTHERS		
Tom Eckman, Charlie Grist		Council, State and local code bodies, DOE, HUD, BPA, Utilities, SBC Administrators, and The Alliance		
TIMELINE	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006
MILESTONES	Participate in federal standards rulemaking on 3-5 products during the coming year.	Work with Alliance and other stakeholders to conduct economic analysis of alternative measures that could serve as the basis for “best of PNW” model energy code. Develop estimates of savings from new state and federal standards. Develop recommendations for program modifications where savings will be achieved from new standards.		Ongoing-- Work with state code agencies in code revision cycles to adopt new codes where warranted.
STATUS	Participated in US DOE’s priority setting workshop federal efficiency standards and joined with other parties to comment on process improvements to catch up on over 25 standard’s revisions that are overdue.			
COMMENTS	EPACT 2005 established standards for 15 products. These were issued October 18, 2005. EPACT 2005 also required that DOE promulgate new standards for an additional 10 products. Several states and NRDC are suing DOE to require the agency to meet its statutory deadlines. In 2005 OR and WA adopted efficiency standards on 6 additional products not covered by the new federal law.			

Establish a mechanism and funding to develop regional coordination and acquisition of non-Lost Opportunity (LO): CNSV-7

COUNCIL STAFF	OTHERS
Tom Eckman, Charlie Grist	Council, BPA, Utilities, SBC Administrators, the Alliance, Regulators, the States

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES		Test voluntary approach to funding via roof-top HVAC, or other suitable projects scoped by RTF.		
STATUS				
COMMENTS				

Establish a mechanism and funding for the annual reporting and tracking of regional conservation investments and accomplishments: CNSV- 8

COUNCIL STAFF	OTHERS
Tom Eckman, Charlie Grist	Council, Regulators, Bonneville, utilities, SBC Administrators, the states, and the Alliance

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Survey Bonneville, utilities, SBC Administrators, the states, and the Alliance to estimate 2005 conservation achievements and expenditures	Work with utilities, SBC Administrators, the state commissions, and the Alliance to encourage participation in survey.		
STATUS	The capability to track all regional conservation progress has been added to the Bonneville's planning, tracking and reporting software.			
COMMENTS	While the capability to track non-BPA program activity and expenditures exists in the software, reporting this activity is voluntary.			

Evaluate performance of System Benefits Charge (SBC) Programs: CNSV-13

COUNCIL STAFF	OTHERS
Tom Eckman, Charlie Grist	Council

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Review recent studies others have done. Scope report.			Finalize report
STATUS	In Progress			
COMMENTS				

**Develop cost-effectiveness methodology; Evaluate cost and benefits of improved metering and communication technologies;
Explore ways to make price mechanisms more acceptable: DR-2; DR-4; DR-6; DR-8**

COUNCIL STAFF	OTHERS
Ken Corum	Council, BPA, Utilities, Regulators

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	3 rd Demand Response Workshop	4 th Demand Response Workshop	Progress Report on DR	
STATUS	Have held 2 workshops to discuss demand response and drafted a cost-effectiveness paper for discussion			
COMMENTS	Efforts are ongoing throughout the country, staff participating in CA efforts and national conferences.			

Timely acquisition of cost-effective renewable and cogeneration projects, including potential lost-opportunities: Identify cost-effective renewable and cogeneration projects: GEN-1

COUNCIL STAFF	OTHERS
King	Utilities, Boards, Commissions

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	This action calls upon utilities, with the encouragement and support of their boards or commissions to actively identify potential cost-effective renewable and cogeneration projects. For IOUs and larger consumer-owned utilities, this action can be incorporated into the IRP process. The Council can encourage this activity through participation in the IRP processes of the major utilities.			

Procedures and criteria in-place at all major utilities for evaluating renewable and cogeneration projects. Establish procedures for evaluating renewable and cogeneration projects: GEN-2

COUNCIL STAFF	OTHERS
King	Utilities, Boards, Commissions

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	This action calls upon utilities, with the encouragement and support of their boards or commissions to develop and adopt procedures for evaluating renewable and cogeneration projects. For IOUs and larger consumer-owned utilities, this action can be incorporated into the IRP process. The Council can encourage this activity through participation in the IRP processes of the major utilities.			

Remove, insofar as feasible, of disincentives to utility acquisition of power from projects owned or operated by others, including, for IOUs, the lack of return on power purchase contracts: GEN-3

COUNCIL STAFF	OTHERS
King	Utilities, Boards, Commissions

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	The initiative for accomplishing this action largely lies with the utilities and commissions.			

Adoption of uniform interconnection standards to streamline the design, permitting, contracting and construction of small-scale generation facilities: GEN-4

COUNCIL STAFF	OTHERS
King	Utilities, Boards, Commissions

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	The initiative for accomplishing this action largely lies with the utilities and commissions.			

Acquisition of lost-opportunity renewable and cogeneration projects identified through the activities called for in Actions GEN-1 and GEN-2: GEN-5

COUNCIL STAFF		OTHERS		
King		Utilities, Boards, Commissions		
TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	For IOUs and larger consumer-owned utilities, this action will be accomplished through the IRP process and subsequent resource acquisition activities. Though the initiative for accomplishing this action largely lies with the utilities and commissions, the Council can encourage this activity through participation in the IRP processes of the major utilities.			

Facilitate the sale of power from customer-owned or operated generation surplus to utility needs to improve the economic attractiveness and cost-effectiveness of these projects: GEN-6

COUNCIL STAFF		OTHERS		
King		Utilities, Boards, Commissions		
TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	In many cases, utilities are better positioned to market power than customer owners of generation. The initiative for accomplishing this action largely lies with the utilities and commissions.			

Develop and maintain inventory of ready-to-develop projects to meet possible future needs in accordance with schedule shown in the 5th Plan: GEN-7

COUNCIL STAFF		OTHERS		
King		Project developers		

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS	The current regional inventory of project options (permitted or near-permitted projects not under construction) is estimated to include approximately 6400 MW of gas-fired generation, 920 MW of wind power, 780 MW of coal and 100 MW of small hydro.			
COMMENTS	The current inventory of project options greatly exceeds the inventory called for in the Plan, largely as a result of development initiatives stemming from the energy crisis of 2000-01 and, for renewables, federal production tax credit prospects. Many of gas-fired projects are currently inactive and it is not clear how “durable” these options will be, though gas-fired options are not included in the five-year scope of the action plan.			

A report on the commercial progress of coal gasification combined cycle technology by 2007 to allow the Council to assess the feasibility of the current resource development recommendations (calling for an IGCC option by 2012): GEN-7A

COUNCIL STAFF		OTHERS		
Jeff King		Council, IGCC Advisory Committee		
TIMELINE	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006
MILESTONES	Convene IGCC advisory committee; identify technology status indicators, identify criteria marking satisfactory progress, sources, develop report outline	Commence assessment of status indicators	Convene IGCC advisory group to review interim results of assessment. Identify additional needs, modifications to report, etc. Progress report to Power Committee.	Issue draft report for review & comment. Convene IGCC advisory group to discuss report & comments, establish requirements for final report.
STATUS				
COMMENTS				

Develop a strategic plan for achieving the objectives of Action GEN-8, Confirmation of cost-effective large-scale wind development potential: GEN-8A

COUNCIL STAFF		OTHERS		
King		Council (lead), Windpower Advisory Group		
TIMELINE	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006
MILESTONES	Charter a Windpower Advisory Committee (?)	Convene wind advisory group, review status of wind development; identify further actions needed to confirm large-scale wind development potential, preliminary responsibilities, criteria and timing; develop format of Strategic Plan.	Commence development of strategic plan	Convene wind advisory group to review interim results of assessment. Identify additional needs, modifications to report, etc. Progress report to Power Committee.
STATUS				

COMMENTS				

Assessment of the effects on the hydropower system of shaping large amounts of wind capacity for the purpose of estimating the value of and limits on shaping services: GEN-9

COUNCIL STAFF	OTHERS
King, Fazio, Schilmoeller	Council (lead), BPA, utilities with wind integration experience, Corps of Engineers

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				Make initial assessment of shaping wind with hydro.
STATUS	Some staff discussion of how this might be addressed analytically.			
COMMENTS	This work may have to be delayed until modeling upgrades are complete.			

Develop a regional market for wind power integration products: GEN-10

COUNCIL STAFF	OTHERS
King	Utilities and Bonneville

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	Waiting to hear from Bonneville. The regional dialogue process is addressing a commitment for BPA to provide wind shaping and support products.			

Use state-of-the-art technology in new plant construction consistent with cost and risk considerations: GEN-11

COUNCIL STAFF	OTHERS
King	Developers, permitting agencies, utilities, commissions, architect-engineers

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS	Wholesale market and competitive pressures seem to be enough to ensure this occurs			
COMMENTS	Evidence of the use of state-of-the-art large equipment technology in new plant development includes the use of “G-class” gas turbines in PGE’s Port Westward combined-cycle plant, Vestas V-80 turbines in the Hopkins Ridge and Wild Horse wind parks and Energy Northwest’s proposed IGCC project.			

Regionwide use of state-of-the-art resource evaluation methods that consider all significant risks and uncertainties when evaluating resources for acquisition. Ensure that all feasible resource alternatives are considered: GEN-12

COUNCIL STAFF	OTHERS
King (?)	Utilities, commissions

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	Staff intends to participate in all major utility IRP processes. A system for monitoring, comparing and concisely reporting on the methods and data used for these activities is being developed.			

Investigate the feasibility of developing the proposed coal-gasification combined-cycle power plant of Action GEN-7 with advanced coal gasification technology demonstration capability including carbon separation and sequestration: GEN- 13

COUNCIL STAFF	OTHERS
King	Council, project developers, the states, Bonneville, utilities and other interested organizations

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Staff will convene the IGCC Advisory Committee. Energy Northwest will brief the Council regarding its proposed IGCC project.			
STATUS				
COMMENTS	Staff proposes to use the IGCC Advisory Committee as a forum to explore this issue. The proposed Energy Northwest IGCC project could serve as a platform for technology demonstrations.			

Support and monitor efforts to develop commercially available carbon sequestration technology suitable for Northwest applications: GEN-14:

COUNCIL STAFF	OTHERS
King	Council, states, utilities

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Staff will convene the IGCC Advisory Committee			
STATUS				
COMMENTS	Staff will explore use of the IGCC Advisory Committee to monitor this effort. The proposed Energy Northwest IGCC project could serve as a platform for technology demonstrations.			

Refine estimates through feasibility studies of transmission options for importing power from oil sands cogeneration to the Northwest: GEN-15

COUNCIL STAFF		OTHERS		
King		Bonneville, regional transmission providers		
TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Staff attend NTAC meetings, provide technical support.	Staff attend NTAC meetings, provide technical support.	Staff attend NTAC meetings, provide technical support.	Staff attend NTAC meetings, provide technical support Release of Canada - Northwest - California report.
STATUS	Staff is actively participating in the NTAC feasibility study.			
COMMENTS	The NTAC Canada - Northwest - California workgroup is preparing the draft report on its assessment of the cost and capacity of new and expanded transfer paths from potential new generation in northern BC and Alberta. The geographic scope is broader than called for in this action and will include coastal BC wind areas, N. BC & AB hydro, AB wind, etc., in addition to the Ft MacMurray oil sands area. This will facilitate consideration of a much larger slate of potential resources in future plans. The report is expected to be completed during 2006. Also see TX-1.			

Perfect commercially available energy storage technologies for Northwest applications including demand reduction, wind integration: GEN-16

COUNCIL STAFF		OTHERS		
King		Bonneville, Council, states, utilities		
TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS	(Call into Mike Hoffman @ BPA for update)			
COMMENTS	This action was requested by Bonneville in support of activities of its Technology Innovation Office.			

Demonstrate commercial standardized small-scale renewable and cogeneration technology for standard applications GEN-17:

COUNCIL STAFF	OTHERS
King	Utilities with commission support, states, Trust, equipment vendors, developers

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Staff participates in the monthly meetings of the Oregon Energy Trust Renewable Energy Advisory Council			
STATUS	Oregon Energy Trust launched its Biopower program in 2006.			
COMMENTS	The Open Solicitation, Wind and Biopower programs of the Oregon Energy Trust and the solar photovoltaic and community wind programs of the Last Mile Electric Co-op support the commercial demonstration of standardized renewable and cogeneration technologies for Northwest applications.			

Establish regional and West-wide reporting standards for the assessment of adequacy: ADQ-1

COUNCIL STAFF	OTHERS
Wally Gibson, John Fazio	WECC, Council, NWPP, CREPC, BPA, regional utilities and regulators. (WECC process and schedule drive outcome)

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	RA Steering Committee to take recommendation to constituents	Convey NW recommendation to WECC		
STATUS	Initial recommendation set to be made on Jan 24			
COMMENTS	Once the metrics and targets are established, the data requirements become clearer			

Carry out a process to establish adequacy standards for NW: ADQ-2

COUNCIL STAFF	PARTICIPANTS
Wally Gibson, John Fazio	Council, NWPP, BPA, regional utilities and regulators, WECC, CREPC

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	RA Steering Committee to take recommendation to constituents	RA final recommendation. Assess reliable out-of-region supply Develop benchmark for Genesys.	Reassess the RA status of the NW based on 2006-07 operating year data	
STATUS	Initial recommendation set to be made on Jan 24. BPA is currently working on out-of-region supply. Council staff has benchmarked the energy portion of Genesys			
COMMENTS	More work needed to fill in the details for the capacity standard. This reassessment should occur every September or whenever data for the upcoming operating year is updated (see MON-1)			

Improve consideration of risk in utility IRPs ADQ-3

COUNCIL STAFF	OTHERS
Michael Schilmoeller	Council, utilities, regulators

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES			Workshops with target utilities	
STATUS				
COMMENTS	Contractor will resume working on model and user interface during FY2006. Workshop and utility versions delayed until 3 rd quarter 2006.			

Broaden focus of forums addressing issues re fish and wildlife operations, to include long-term planning concerns; put in place emergency operations strategy: F&W-1

COUNCIL STAFF	OTHERS
John Fazio, Terry Morlan	Federal agencies, states, tribes, others

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	This process has been overshadowed by court actions. NOAA fisheries will be redoing the biological opinion and this issue should be addressed in that process. The fish and legal divisions should be the lead on this.			

Plan for long-distance transmission needs to support the resource development called for in the plan: TX-1

COUNCIL STAFF	OTHERS
Gibson; King, Schilmoeller	Bonneville, other transmission providers, Power Pool; NTAC

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Staff attend NTAC meetings, provide technical support. Continued participation through NTAC process/ schedule	Staff attend NTAC meetings, provide technical support.	Staff attend NTAC meetings, provide technical support.	Staff attend NTAC meetings, provide technical support Release of Canada - Northwest - California report.
STATUS	NTAC has released report on incremental transmission upgrades to accommodate additional resource development in eastern Montana.			
COMMENTS	Work continues on two additional assessments: Transmission requirements for accessing northern BC and Alberta resources (Canada - Northwest - California study), and transmission and shaping requirements to integrate large-scale WA & OR wind power development (schedule not yet established). Council staff attends relevant meetings and provides technical support where feasible. Also see GEN-15.			

Region agrees to and begins implementation of transmission solutions: TX-3

COUNCIL STAFF		OTHERS		
Wally Gibson		Bonneville, other transmission providers, regional transmission customers, states, IPPs		
TIMELINE	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006
MILESTONES	Grid West decision on continued development expected at end of January. Waiting for BPA decisions on how it will move forward with non-Grid West utilities.			
STATUS				
COMMENTS	Staff participating in Grid West development and will participate in BPA project when announced. Key regional interest is getting to seamless operations between the two.			

Periodically report on load resource situation – Regular semi-annual reports: MON-1

COUNCIL STAFF		OTHERS		
John Fazio, Terry Morlan		BPA, PNUCC, other utilities		
TIMELINE	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006
MILESTONES	Monitor resource and load conditions, in particular the water conditions.	Monitor resource and load conditions, in particular the water conditions.	Reassess the load/resource balance.	
STATUS	This information is maintained on our web site. Runoff volume is updated bi-weekly from Jan through Aug.			
COMMENTS	This reassessment should occur every September or whenever data for the upcoming operating year is updated.			

Monitor conservation development: MON-2

COUNCIL STAFF		OTHERS		
Tom Eckman, Charlie Grist		Bonneville, utilities, Energy Trust, Alliance		
TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	See CNSV-8			

Monitor progress on resolving uncertainties associated with large-scale wind resource development (Actions GEN-8, GEN-8A, GEN-9) to support assessment by the Council of the feasibility of wind development called for in the plan: MON-3

COUNCIL STAFF		OTHERS		
Jeff King		Council, Wind Advisory Committee		
TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Charter a Windpower Advisory Committee (?)			
STATUS				
COMMENTS	Staff is considering the establishment of a standing Wind Advisory Committee. This committee would first assist staff in preparing a Wind Confirmation Plan (Action GEN-8A). Following release of the confirmation plan in late 2006, early 2007, the Committee would assist staff in preparing a periodic report assessing progress in resolving wind development uncertainties and the continuing feasibility of the wind development called for in the 5 th Plan.			

Monitor Climate change science and policy: MON-4

COUNCIL STAFF		OTHERS		
John Fazio, Ken Corum		University of Washington Climate Impacts Group, BPA, EPA, Congress		
TIMELINE	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006
MILESTONES	Monitor political actions regarding emissions. Monitor research on climate change.	Council staff white paper on Climate Change. Review and update the relationship between temperature and loads, for modeling purposes.		
STATUS		Work on white paper is in progress.		
COMMENTS	This is an ongoing process. As new information is received, it will be assessed and reported to the Council.			

Monitor Demand Response: MON-5

COUNCIL STAFF		OTHERS		
Ken Corum		BPA, Utilities		
TIMELINE	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006
MILESTONES		Progress Report on DR		
STATUS	Staff is participating on a technical advisory group for CA research on DR. Also presenting our work at national conferences on DR			
COMMENTS				

Biennial monitoring report: Review data, forecasts underlying plan, recommend plan revision if necessary: MON-7

COUNCIL STAFF		OTHERS		
Morlan lead with others				
TIMELINE	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006
MILESTONES	Interim report on status of power plan assumptions - Jan.			Biennial report on power plan status and implementation
STATUS				
COMMENTS	Ongoing: Maintain data bases on loads, fuel and power prices, resources. Requires ongoing collection and analysis of data on demand, fuel prices, evolving technology for generation and efficiency, hydroelectric capability			

Monitor progress toward implementation of Council recommendations re Bonneville's Future role: MON-8

COUNCIL STAFF		OTHERS		
Terry Morlan				
TIMELINE	1st Quarter 2006	2nd Quarter 2006	3rd Quarter 2006	4th Quarter 2006
MILESTONES	Council and staff continue to participate in process. Expect draft policy from Bonneville in March	Comment on draft policy? March or April	Ongoing - Bonneville developing contracts for post 2011 to be signed in October 2007	
STATUS	Negotiations ongoing regarding residential exchange, cost control, and conflict resolution			
COMMENTS	Paul Norman will report to Council on status and BPA leanings in January.			

Bonneville and Council review respective policies re implementing 6©: MON-9

COUNCIL STAFF	OTHERS
Legal Division	Council, Bonneville

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES			Expect completion of regional dialogue, then will assess 6c policy implications	
STATUS	Council staff has reviewed 6c policy and initiated discussion with Bonneville. Further action delayed until completion of Regional Dialogue on Bonneville role in resource acquisition			
COMMENTS				

Other Items Not In Action Plan: New demand forecasting system

COUNCIL STAFF	OTHERS
Terry Morlan	Demand Forecasting Advisory Committee

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES			Report on approach and design of demand forecasting system	
STATUS	Expect to select and hire new manager of economic analysis Jan. 06			

COMMENTS	Some preliminary data collection, design and estimation was done in 2005
----------	--

Other Items Not In Action Plan: Continue development and documentation of Olivia/ Portfolio model

OWNERS	OTHERS
Michael Schilmoeller	System Analysis advisory Committee

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Work with selected individual utilities in application of models		Utility version of Olivia model and training workshops	
STATUS	Contractor working on model and user interface. Utility version of model and workshops delayed until at least 2nd quarter 2006.			
COMMENTS	Some additional contracting will be required during 2006. 2007 – complete and document utility version			

Other Items Not In Action Plan: Provide analysis and information about the plan and the regional energy system

OWNERS	OTHERS
All Staff	

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS	This is an ongoing activity that requires a substantial amount of staff time and resources			

Other Items Not In Action Plan: Regional Technical Forum

COUNCIL STAFF	OTHERS
Tom Eckman, Charlie Grist, Ken Corum	RTF Members, other stakeholders

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS	Funding for program has been secured from Puget, Avista, Idaho Power and the Energy Trust of Oregon. Bonneville funding pending			
COMMENTS				

Other Items Not In Action Plan: Electricity market price forecast: Periodic review of long-term market price forecast, periodic near-term price forecast

COUNCIL STAFF	OTHERS
King	Council

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Complete near-term market price forecast.		Review and update AURORA model input data and assumptions.	Revised long-term market price forecast.
STATUS	Draft near-term market price forecast.			
COMMENTS	Staff proposes to review the long-term market price forecast in conjunction with the biennial review of the power plan. Staff is also developing a short-term price forecast in response to requests and internal needs.			

Other Items Not In Action Plan: Participate in Utility IRP Processes

COUNCIL STAFF	OTHERS

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES	Assign lead staff representatives for each utility. Develop a status report on IRP status.			
STATUS	Completed			
COMMENTS	Participation in utility IRP processes is a key strategy for encouraging regional achievement of the plan and for tracking progress in its implementation. (See action items GEN 1- 6 and CNSV – 8)			

Other Items Not In Action Plan

COUNCIL STAFF	OTHERS

TIMELINE	1 st Quarter 2006	2 nd Quarter 2006	3 rd Quarter 2006	4 th Quarter 2006
MILESTONES				
STATUS				
COMMENTS				