

Tom Karier
Chair
Washington

Frank L. Cassidy Jr.
"Larry"
Washington

Jim Kempton
Idaho

Judi Danielson
Idaho



Joan M. Dukes
Vice-Chair
Oregon

Melinda S. Eden
Oregon

Bruce A. Measure
Montana

Rhonda Whiting
Montana

February 9, 2006

MEMORANDUM

TO: Council Members

FROM: Sharon Ossmann

SUBJECT: Externally Funded Projects

The Council receives supplemental funding, separate from the Council's operating budget, to perform certain activities and oversee various projects. In Fiscal Year 2005, Bonneville provided supplemental funding for the completion of subbasin planning, support of the Independent Scientific Review Panel (ISRP) and the Independent Scientific Advisory Board (ISAB), and continued work on the Conservation and Renewables Discount software project. Bonneville and other utilities also contributed funds in 2005 to support the Regional Technical Forum activities.

These funds cover the Council's cost of contracting with the scientists and software developers who carry out the work on these projects. The funds are not used to cover the Council's operating expenses. The contracting activities for these projects follow the Council's standard contracting procedures. However, the individual contracts are not presented to the Council for approval. For instance, the list of scientists appointed to serve on the ISRP does go through a Council approval process while the individual contracting activities with the scientists do not.

Tom Eckman will give a brief presentation to familiarize you with the externally funded power projects, and Erik Merrill will describe the work of the externally funded ISRP and ISAB.

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Briefing on External Funding of the Council's Regional Technical Forum

RTF - Origin and Function

- 1996 Congress charged Council and Bonneville with formation of a *Regional Technical Forum (RTF)* on conservation evaluation and verification
- Northwest Governor's Comprehensive Review Expanded RTF's Mission
 - Task 1 - *Track regional progress* toward conservation and renewable resource goals.
 - Task 2 - *Provide feedback and suggestions* for improving conservation and renewable resource development programs in the region.
 - Task 3- *Conduct periodic reviews* of the region's progress.
 - Task 4 - *Communicate recommendations* to appropriate decision-makers.

Council Action

- ***Formed*** Regional Technical Forum in July of 1999
 - Advisory Committee to Council
- ***Members:***
 - Appointed by Council Power Division Director
 - Technical expertise/experience required, not “constituent based”
 - Utilities, other electricity service providers, government, energy service companies and public interest groups and Bonneville
- ***Staffing:*** Council staff support the work of Forum
- ***Public Involvement:*** All meetings noticed w/agenda & work products available on Web
(<http://www.nwcouncil.org/energy/rtf/Default.htm>)

History of External Financial Support

- 1999 BPA asked Council for RTF's assistance with task of implementing of its Conservation & Renewable Resources Rate Discount Program (CR&D)
- Council directed RTF to assist Bonneville
 - Bonneville provided \$150,000 to support effort
- RTF's Recommendations submitted to BPA in September 2000
- West Coast Energy Crisis prompts BPA to implement C&RD program 7 months early
 - RTF's work proved essential to successful launch

RTF External Financial Support – The RTF's Technical Work

- Staff support – Council staff time not covered by external funding
- RTF members are volunteers
 - Some members receive “honoraria” for time spent on RTF tasks (meetings, special assignments) if not otherwise compensated by employer
- RTF retains outside consultant services when special expertise is required

Summary of RTF External Financial Support Income for Technical Work FY2001 – FY2005*

Source	Amount
Avista	\$ 25,000
Bonneville Power Administration	\$ 188,803
Energy Trust of Oregon	\$ 50,000
Idaho Power Company	\$ 55,000
Puget Sound Energy	\$ 200,000
Total Income	\$ 518,803

*Staff first solicited non-BPA financial support for RTF's Technical Work in November 2003

Summary of RTF External Financial Support Expenses for Technical Work FY2001 – FY2005

Activity	Amount
Member Special Project Support	\$ 30,038
Technology Reviews/Evaluations	\$ 324,098
Software Development Support	\$ 41,000
Meetings and Travel	\$ 12,834
Total Expenses	\$ 407,970
Current Balance	\$ 110,833

RTF External Financial Support – The Online Planning, Tracking and Reporting System

- RTF's recommended BPA establish an “online planning, tracking and reporting system” to facilitate C&RD program implementation
- BPA contracted with Council to design, develop and maintain the system
 - Council issued RFP for software development services
 - Contract awarded to Synergy Consulting
- System “went live” Sept 2001, nine months ahead of schedule

RTF External Financial Support – The Online Planning, Tracking and Reporting System (2)

- BPA provides ongoing funding for system maintenance and enhancements
 - All BPA funds are “pass-through” to Council’s contractor
 - From FY2001 through FY2006 BPA will have invested approximately \$1.44 million in site development, maintenance and technical support (~ \$240K/year)
 - Current system will track approximately \$80 million/year in BPA funded conservation plus local utility investments.
- Council staff, working collaboratively with BPA program and technical staff, specify and oversee all contract work

5th Plan Action Item – Conservation No. 8

- “. . . establish a mechanism and funding to track and report regional conservation investments and accomplishments annually.”
- RTF Online Planning, Tracking and Reporting System has been modified to permit tracking of “utility funded” conservation activities and well as Bonneville funded activities
- RTF System has now been moved to a dedicated “server” at Council to permit additional system enhancements and facilitate data analysis

Show and Tell

[*http://www.ptr.nwcouncil.org/*](http://www.ptr.nwcouncil.org/)