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October 28, 2014

MEMORANDUM

TO: Power Committee

FROM: Tom Eckman, Power Division Director

SUBJECT: Summary of Public Comment on Proposed High Level Indicators for

Power

BACKGROUND:

Presenter: Tom Eckman

Summary: At the September 9 Council Meeting, the Council approved the release of

the issue paper on "Proposed High Level Indicators of Progress on the Pacific Northwest Electric Power Planning and Conservation Act's Power Plan Goals" for public comment. The comment period was open from September 10 to October 31. At the November Power Committee Meeting, staff will present a summary of the comments received.

Relevance: The Council has established high level metrics for tracking progress on its

fish and wildlife program. Adoption of comparable metric for assessing progress on the Council's power plan would provide both the Council and

interested stakeholders with a more complete view of the

Workplan: 1A - Guide regional efforts to implement the Sixth Power Plan's

recommendations including energy efficiency.

Background: As a follow-up to the adoption "High Level Indicators" for tracking progress

on the Council's Fish and Wildlife Program, the Council intends to establish similar metrics for tracking progress on the Council's Power Plan. As a starting point the Council proposed that these metrics be based on the purposes for which the Northwest Electric Power Planning and Conservation Act (Act) was enacted. With respect to the Power Plan these are:

- To encourage conservation and efficiency in the use of electric power
- To encourage the development of renewable resources within the Pacific Northwest
- To assure the Pacific Northwest of an adequate, efficient, economical and reliable power supply¹

The Council sought comment on whether the proposed High Level Indicators for its Power Plan provide objective and meaningful measures of progress toward the goals set forth in the Act. The Council specifically requested public comment on the following issues:

- Are the proposed metrics meaningful measures of progress towards the Act's purposes and the Council's Power Plan goals?
- Are there other metrics that would serve as better measures of progress? If so, what are they and is the data to compute them readily available?
- Should any of the metrics that were considered, but not recommended be included in the Council's HLI's for power? For example, given the Environmental Protection Agency's proposed limits on power system carbon dioxide emission rates, should the Council track carbon dioxide emissions per megawatt-hour of electricity production?
- Are there data sources that would support the use of metrics that were rejected due to the resource requirements of establishing and maintain the metric (e.g., average hydroelectric efficiency -MWH/acre-foot, average thermal generator efficiency -MWh/MMBtu)?

A Council decision on the adoption of High Level Indicators for Power is scheduled for the December Council meeting.

More Info: The issue paper can be found on the Council's website, http://www.nwcouncil.org/media/7137913/HLI_Power_DraftIssuePaper-

FINAL.pdf

¹ [Pacific Northwest Electric Power Planning and Conservation Act, (Northwest Power Act),

Proposed High Level Indicators of Progress on the Pacific Northwest Electric Power Planning and Conservation Act's Power Plan Goals

> Summary of Public Comment November 4, 2014





The Council Solicited Comment on Four issues:

- Are the proposed metrics meaningful measures of progress towards the Act's purposes and the Council's Power Plan goals?
- Are there other metrics that would serve as better measures of progress? If so, what are they and is the data to compute them readily available?
- Should any of the metrics that were considered, but not recommended be included in the Council's HLI's for power? For example, given the Environmental Protection Agency's proposed limits on power system carbon dioxide emission rates, should the Council track carbon dioxide emissions per megawatt-hour of electricity production?
- Are there data sources that would support the use of metrics that were rejected due to the resource requirements of establishing and maintain the metric (e.g., average hydroelectric efficiency -MWH/acre-foot, average thermal generator efficiency -MWh/MMBtu)?





Parties Commenting on Proposal

- Clark PUD
- Flathead Electric Cooperative
- Franklin PUD
- Inland Power and Light
- Northwest Resource Information Center
- Northwest Energy Coalition
- Public Generating Pool
- Pacific Northwest Generating Cooperative
- Pacific Northwest Utilities Conference Committee
- Public Power Council
- Renewable Northwest
- Snake River Alliance
- Washington Utilities Transportation Commission





Major Comments

- Utility and utility associations
 - Questioned the need for and value of the proposed metrics
 - If metrics were desired, they be developed independent of the Seventh Plan process
- WUTC and public interest groups
 - Generally supported establishment of the proposed metrics, with some recommended amendments/additions/deletions





Sample of Specific Comments - PGP

- The proposed High Level Indicators are not appropriate metrics because the measure something over which the Power Plan has no influence/control; or are not a meaningful measure of the stated objective(s)
 - Example Comparison of annual conservation achievements with Plan's fiveyear goal





Sample of Specific Comments - PNUCC

- The time and effort to devise a meaningful high-level indicators is not warranted, especially given that many of the information elements you identified are currently being reported through other mechanisms.
 - Example: Regional Adequacy Assessment,
 Regional Conservation Progress Report



Sample of Specific Comments - PPC

While it is the NWPPC's responsibility under the Northwest Power Act to create a power plan, it is not the responsibility of the Council to implement any of the resource development actions noted in the plan. The proposed HLI metrics show no clear connection to the NWPPC and its actual responsibilities



Sample of Specific Comments – Renewable Northwest

- We propose three additional renewable resource metrics —
 - How much renewable resource developments is constrained by lack of transmission access
 - A metric that reflects the geographical diversity of renewable resources in the region
 - A metric that compares the integration cost of renewable resources (solar, wind) in this region compared to other regions



Sample of Specific Comments – Northwest Energy Coalition

- In particular, it is critical that the Council adopt at least one indicator measuring greenhouse gas emissions.
 - GHG (100-year Global Warming Potential) with sub-indicators for CO2 and methane. Regional vs. national information would be useful, as suggested in the "considered but not proposed" section of the Indicator Issue Paper.
 - Regional CO2 intensity per MWh





Next Steps

- Staff will develop a more detailed summary of public comments
- If desired, staff will prepare a draft options paper for Council consideration at the December Council meeting

