

Phil Rockefeller
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Washington

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Northwest Power and Conservation Council

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Vice Chair
Idaho

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Pat Smith
Montana

Jennifer Anders
Montana

July 7, 2015

DECISION MEMORANDUM

TO: Council members

FROM: John Fazio
Senior Power Systems Analyst

SUBJECT: Approval of charter for Resource Adequacy Advisory Committee.

PROPOSED ACTION: Approve the renewal of the Resource Adequacy Advisory Committee.

SIGNIFICANCE: The charter of the Council's Resource Adequacy Advisory Committee expires in July 2015. The RAAC assists the Council in assessing the adequacy of the region's power supply and in developing and modifying regional resource adequacy metrics. The RAAC further assists the Council during the development of the Council's regional power plan by providing advice and feedback on issues related to resource adequacy and by helping incorporate the regional resource adequacy standard and metrics into the plan.

BUDGETARY/ECONOMIC IMPACTS

Support for the Resource Adequacy Advisory Committee will cost approximately \$10,000 per year in travel support to public committee members and in administrative support including for teleconference and video conferencing meeting support and meeting minutes. In addition, approximately fifty percent of one staff person's annual workload is required to schedule and process meeting material, facilitate meetings, coordinate data vetting processes, oversee model enhancement efforts and perform analysis related to adequacy assessments.

BACKGROUND

In 2005, the Council and the Bonneville Power Administration created the Resource Adequacy Forum to develop a standard for assessing the adequacy of the regional power supply and to evaluate the adequacy of the region's power system on an annual basis. The Council has used the standard for assessing resource adequacy in the Pacific Northwest developed by the Resource Adequacy Forum in developing its regional power plans to ensure that future resource strategies will provide adequate power supplies. The Council also uses the standard to annually assess the adequacy of the region's power supply five years out, as an early warning should resource development fall short of demand growth for whatever reason.

In 2013, the Resource Adequacy Forum became a chartered advisory committee to the Council and was renamed the Resource Adequacy Advisory Committee or RAAC.

ANALYSIS

Section 2(3) of the Northwest Power Act states that one of the three major purposes of the Act is to "provide for the participation and consultation" of the region's stakeholders during the development of regional power plans. In order to facilitate the assessment and promote the exchange of information between the Council and regional stakeholders, the Council and its staff have historically employed advisory committees composed of experts and stakeholders interested in specific topics. Pursuant to the Act, the Council's power plans must evaluate the adequacy of the regional power supply to ensure future resource strategies provide an adequate supply of power. To assist in the assessment of regional adequacy and to support the Council's analysis of adequacy in the Seventh Plan, the staff is requesting that the Council reauthorize the Resource Adequacy Advisory Committee by approving the proposed charter.

The language of the proposed charter is identical to the existing charter except for the proposed Council approval date.

ALTERNATIVES

We could accomplish similar results without renewing this advisory committee. That would require meetings and consultations between Council staff and many different groups and would lack the benefit of getting the region's experts together in one place to discuss the issues.

ATTACHMENTS

Proposed charter for the Resource Adequacy Advisory Committee

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July 7, 2015

NORTHWEST POWER AND CONSERVATION COUNCIL CHARTER OF THE RESOURCE ADEQUACY ADVISORY COMMITTEE

1. **Official Designation:** This committee will be known as the Northwest Power and Conservation Council Resource Adequacy Advisory Committee.
2. **Background:** The Pacific Northwest Electric Power Planning and Conservation Act, P.L. 96-501, 16 U.S.C. §839 *et seq.* (Act), in Section 4(e)(2), requires the Power and Conservation Council (Council) to prepare and adopt a regional conservation and electric power plan. The purpose of the power plan and one of the central purposes of the Act is to assure the Pacific Northwest an adequate, efficient, economical, and reliable power supply. The plan must include a demand forecast of at least twenty years and a forecast of power resources estimated by the Council to be required to meet the Bonneville Power Administrator's obligations, as well as an analysis of reserve and reliability requirements so as to insure adequate electric power at the lowest probable cost.

In 2005, the Council and the Bonneville Power Administration created the Resource Adequacy Forum (Forum) to develop a standard for assessing the adequacy of the regional power supply and to evaluate the adequacy of the region's power system on an annual basis. The Forum, open to the public, includes utility planners, state utility commission staff, and other interested parties. In 2008, the Forum reached consensus on a standard for assessing resource adequacy in the Pacific Northwest. That standard was adopted by the Council in April of 2008 and was used to develop the Sixth Power Plan. After an extensive peer review of the methodology following the release of the plan, the Forum revised the standard and the Council subsequently adopted the revised standard in December of 2011. The Council utilizes the standard in its power plan to ensure that future resource strategies will provide adequate power supplies. The Council also uses the standard to annually assess the adequacy of the region's power supply five years out, as an early warning should resource development fall short of demand growth for whatever reason. The Forum will now be called the Resource Adequacy Advisory Committee (RAAC).

3. Objectives and Scope of Activity: The RAAC will advise the Council by:
 - (A) Aiding Council staff in preparing and submitting to the Council an annual assessment of the adequacy of the region's power supply.
 - (B) Advising the Council on developing or modifying regional resource adequacy metrics.
 - (C) Advising the Council on issues related to resource adequacy, for example by recommending methods to quantify how various types of resources contribute to power supply adequacy.
 - (D) Assisting in incorporating the regional resource adequacy standard and metrics into development of the Council's Northwest Power Plans.

4. Structure and Organization: To carry out these objectives the RAAC will be comprised of a technical committee and a steering committee. The function of the technical committee will be to collect and review relevant data and to aid in the enhancement of analytical tools used for the analysis. The function of the steering committee will be to provide policy-related recommendations to the Council for use in performing regional resource adequacy assessments and to periodically review methodologies used for those assessments.

For example, to carry out objective (A) described above, the technical committee will gather and review load, resource and other relevant data. The steering committee will then review that data and make policy-related recommendations to the Council, which are needed to proceed with the analysis. Such recommendations may include, for example, an assumed level of reliance on market supplies. After review and approval by the Council, staff will prepare a preliminary adequacy assessment for review by the technical and steering committees. The Council will be briefed on the results of the preliminary assessment. Should any adjustments to the analyses be needed, proposed changes will be reviewed by both Committee committees with Council staff preparing a final assessment for presentation to the Council for review, approval and release.

The technical and steering committees shall work together to accomplish the objectives of the Committee. The RAAC's committees shall operate on a consensus basis to the extent practicable. Neither committee shall have the authority to overrule the other committee. If a situation arises where there is a difference of opinion between the two committees as to how to proceed with the work of the RAAC, the matter shall be brought to the Council for resolution.

5. RAAC Management Officer: The RAAC Management Officer (Management Officer) for the RAAC will be the Director of the Council's Power Planning Division. The Management Officer will designate a member of the Council's staff to coordinate and schedule meetings of the RAAC.

6. Co-Chairs: The steering and technical committees will each have one co-chair from the Council and one co-chair from the Bonneville Power Administration.
- (A) The Chair of the Council, in consultation with the Chair of the Power Committee, Executive Director of the Council, Director of the Council's Power Planning Division, and Bonneville Power Administration, will appoint the co-chairs of the steering and the technical committees. The Bonneville co-chair will be recommended by the Bonneville administrator.
 - (B) The Co-Chairs may be called upon to report to the Council on appropriate matters, including the RAAC's progress on the tasks described in Part 3 of this charter.
 - (C) The duties of the Co-Chairs will include presiding over the meetings of the steering and technical committee which they chair, setting agendas for such meetings, ensuring that detailed minutes of such meetings are prepared and submitted to the Executive Director of the Council in a timely manner, and maintaining communication between the committee and the Council's staff.
 - (D) The steering committee and technical committee co-chairs will certify detailed minutes of meetings of their respective groups. The minutes should include a complete and accurate description of matters discussed, conclusions reached, actions taken, persons invited to meet with the RAAC, and persons in attendance. The minutes also will include copies of reports received, issued or approved by each committee. Minutes of meetings will be prepared and released within ten days of the meeting, unless the Council's Executive Director grants an extension. The co-chairs will distribute copies of the minutes to members of both the RAAC's committees and all minutes shall be posted on the Council's website in a timely manner following the distribution of the minutes.
7. Advisory Committee Members: The co-chairs of the RAAC's technical and steering committees, in consultation with the Director of the Power Planning Division and the Council's Executive Director, will solicit policy and technical experts to participate on the RAAC's steering and technical committees from a wide range of regional stakeholders. Steering committee members shall be selected based primarily on their policy expertise and experience. Technical committee members shall be selected based primarily on their technical skills and experience. The co-chairs will recommend to the Council a set of participants for both committees. The Council shall make the final decision to approve the participants in the RAAC's committees and, in doing so, shall ensure that membership of the advisory committee is fairly balanced in terms of the points of view represented and the functions to be performed by the advisory committee. Co-chairs may appoint replacements from the same organization if any member is unable to serve.

Members may include representatives of public and investor-owned utilities, Bonneville and other federal agencies, state energy offices, state utility regulators, trade associations, energy efficiency and renewable resource associations, independent power producers, public interest groups, and the general public.

8. Subcommittees: Subcommittees or small workgroups of the RAAC steering and technical committees may be established by the co-chairs of the committees to undertake particular aspects of that committee's work. Methods for organizing the work and procedures of RAAC committees must follow the scope of responsibilities assigned to the RAAC by the Council. Council staff will make arrangements for committee meetings and will provide general support services.
9. Estimated Frequency of Committee Meetings: The Co-Chairs of the RAAC steering and technical committees, after consultation with the Management Officer, or his designee, will call meetings as necessary. It is estimated that the steering committee and the technical committee will each meet three times per year. Additional subcommittee meetings may also be held as necessary. All meetings will be open to the public, unless closed pursuant to 5 U.S.C. §552b(c). Timely notice of meetings, including agendas, will be made. Interested persons may attend RAAC committee meetings and appear before or file statements with the Committee subject to such reasonable rules as the Council may prescribe.
10. Official to Whom the Committee Reports: The Committee will report to the Council's Executive Director.
11. Authority of the Committee: The Committee will serve in an advisory capacity only. Neither the Committee nor its members are authorized to make statements or commitments on behalf of the Council. Committee members are not Council employees by virtue of their membership on the Committee.
12. Reimbursement of Expenses: The Council will reimburse public members of the RAAC committees for travel, including per diem in lieu of subsistence, in accordance with the Council's travel regulations for contractors and advisory committee members, for the purpose of attending Committee meetings as authorized by 5 U.S.C. §5703. The Executive Director shall determine who public members are.
13. Estimated Annual Operating Costs in Dollars and Person-Days: Ten thousand dollars (\$10,000) per year for teleconference and video conference meeting support, contracted services for minutes and reimbursement of expenses; and six (6) months of one Council staff person's time to schedule meetings, collect and process meeting material, facilitate meetings, coordinate data vetting processes, oversee model enhancement efforts and perform analysis related to adequacy assessments.
14. Rules: The Advisory Committee rules approved and adopted by the Council on March 17, 1982, as amended from time to time, will apply to the RAAC to the extent such matters are not covered in this charter.
15. Duration: The RAAC will terminate two years from the date this Charter is adopted, unless renewed in accordance with the Federal Advisory Committee Act.

This Charter for the Resource Adequacy Committee was approved and adopted at a duly noticed meeting of the Northwest Power and Conservation Council, _____, 2015 in _____, _____.

NORTHWEST POWER AND CONSERVATION COUNCIL

By: _____
Phil Rockefeller, Chair

Date Filed: _____

Phil Rockefeller
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Washington

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July 7, 2015

DECISION MEMORANDUM

TO: Council members

FROM: Tom Eckman
Power Planning Director

SUBJECT: Approval of Charter for Resources Strategies Advisory Committee (RSAC)

PROPOSED ACTION: Authorize the continuation of, and approve for another two years, the charter for the Resource Strategies Advisory Committee.

SIGNIFICANCE: The RSAC advises the Council, its Power Committee and the Council's staff on regional power resource strategies and related matters during the development of the Council's power plan.

BUDGETARY/ECONOMIC IMPACTS

Support for the Resource Strategies Advisory Committee will cost approximately \$4,000 per year for preparation of committee minutes, travel support to public committee members. In addition, approximately one month of staff time will be required to coordinate, chair and attend meetings.

BACKGROUND

The Northwest Power Act requires the Council prepare a regional power plan that sets forth a general scheme for implementing conservation measures and developing resources to reduce or meet the Bonneville Power Administrator's obligations. Following the adoption of the Sixth Power Plan and release of the mid-term assessment, the Council proposed the idea of establishing a new advisory committee to assist the

Council in engaging stakeholders in regional resource strategy issues as the Council is developing the power plan.

The RSAC was established by the Council in 2013. Since then, the committee has provided significant input to the Council on various technical and qualitative topics relevant to developing a twenty-year resource strategy. The Council has sought and received input from the RSAC on such topics as: the analytic approach being considered by the Council for development of the power plan; key assumptions and inputs into the resource strategy and review of candidate power resource strategies. The Council may also request input from the advisory committee on factors relevant to power planning that are not easily captured by computer models (e.g., intra-regional variability and other resource strategy implementation considerations).

ANALYSIS

The charter has been updated to reflect an estimated increase of \$1,000 in the committee's annual budget to cover minutes and travel support to public committee members. No other changes to the existing charter are proposed.

ALTERNATIVE

The Council could accomplish similar results without actually creating an advisory committee. That would require meetings and consultations between Council staff and many different stakeholder groups and would lack the benefit of getting the region's experts together in one place to discuss the various issues relevant to development of the regional power plan.

ATTACHMENTS

Proposed Resource Strategies Advisory Committee Charter

Phil Rockefeller
Chair
Washington

Tom Karier
Washington

Henry Lorenzen
Oregon

Bill Bradbury
Oregon



Northwest Power and Conservation Council

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NORTHWEST POWER AND CONSERVATION COUNCIL

CHARTER OF THE RESOURCE STRATEGIES ADVISORY COMMITTEE

1. Official Designation

This advisory committee will be known as the Northwest Power and Conservation Council Resource Strategies Advisory Committee.

2. Background

The Pacific Northwest Electric Power Planning and Conservation Act, P.L. 96-501, 16 U.S.C. §839 et seq. (Act), in Section 4(e)(3)(D), requires the Pacific Northwest Electric Power and Conservation Planning Council (Council) to develop “a regional conservation and electric power plan.” The plan is to include a twenty year forecast of electricity demand and a resource plan for the development of conservation and generation to meet the demand at the lowest cost consistent with adequate and reliable electricity service. The Act also requires the Council to involve all interested parties and the public at large in development of the plan.

The Resource Strategies Advisory Committee (Committee) is being formed to assist the Council in its development and amendment of the Northwest Conservation and Electric Power Plan (power plan).

3. Objectives and Scope of Activity

The primary function of the Committee will be to advise the Council, its Power Committee and the Council’s staff on regional power resource strategies and related matters during the development of the Council’s power plan.

The Committee will meet at key stages during the Council’s power planning process to review and discuss methods, inputs and analyses of regional power resource strategy alternatives. Topics for review and discussion may include:

- (A) scope, analytic approach, evaluation criteria, public involvement process, and timeline for development of the power plan;
- (B) key assumptions, forecasts, scenarios and other major analytical inputs into the resource plan;
- (C) candidate regional power resource strategies to be evaluated;
- (D) quantitative modeling of candidate regional power resource strategies; and
- (E) qualitative assessment of leading candidate regional power resource strategies, including implementation considerations.

4. Official to Whom the Advisory Committee Reports

The Resource Strategies Advisory Committee will report to the Council's Executive Director.

5. Authority of the Advisory Committee

The Resource Strategies Advisory Committee will serve in an advisory capacity only. The Committee will not vote, make policy decisions or act on behalf of the Council. Nor will the Committee provide any direction as to the work of the Council staff, or otherwise assume responsibilities of the Power Committee or full Council. Neither the Committee nor its members are authorized to make statements or commitments on behalf of the Council. Non-staff members of the Committee are not Council employees.

6. Advisory Committee Members

Members of the Committee will be appointed by the Council, in consultation with the Executive Director of the Council, the Director of the Council's Power Planning Division, and other interested parties. The Council will solicit potential Committee members representing a broad range of interested parties. Members will be selected based on their expertise in strategy and policy matters related to resource planning. In appointing Committee members, the Council will ensure that membership is fairly and adequately balanced in terms of resource strategy and policy points of view represented.

With the approval of the Council and after consultation with the Power Committee Chair and the Director of the Council's Power Planning Division, the Committee may form one or more subcommittees to help it carry out its functions. Subcommittee members may be selected from the Committee members recognized for their ability to contribute to open, constructive, creative and solutions-oriented discussion of regional resource strategy issues.

All Committee members serve at the pleasure of the Council.

7. Advisory Committee Chair

- (A) The Chair of the Resource Strategies Advisory Committee will be selected by the Chair of the Council to serve a one year term.
- (B) The Chair may be called upon to report to the Council on appropriate matters, including the Committee's progress on the tasks described in Part 3 of this charter.
- (C) The Chair may approve a replacement member from the same, or a similarly-situated, organization should a member appointed by the Council be unable to continue as a committee member.
- (D) The duties of the Chair will include presiding over committee meetings, setting agendas for such meetings, ensuring that detailed minutes of such meetings are prepared and submitted to the Executive Director of the Council in a timely manner, and maintaining communication between the Committee, the Council and the Council's staff.
- (E) The Chair will certify detailed minutes of Committee meetings. The minutes should include a complete and accurate description of matters discussed, conclusions reached, actions taken, persons invited to meet with the Committee, and persons in attendance. The minutes also will include copies of reports received, issued or approved by the Committee.

Minutes of meetings will be prepared and released within ten days of the meeting, unless the Management Officer grants an extension. The Chair will distribute copies of the minutes to members of the Committee and other interested persons.

- (F) Small workgroups of the Committee may be established by the Chair of the Committee to undertake particular aspects of the Committee's work. Methods for organizing the work and procedures of the Committee must be consistent with the scope of responsibilities assigned to the Committee by the Council.

8. Advisory Committee Vice-Chair

A Vice-Chair may be elected by the committee members to serve a one year term. The Vice-Chair will perform the duties of the Chair, in the absence of the Chair, and such other duties as the Chair of the Committee may assign.

9. Advisory Committee Management Officer

The Management Officer for the Committee will be the Director of the Council's Division of Power Planning. The Management Officer will designate members of the Council's staff to coordinate and attend meetings of the Committee.

10. Rules

The advisory committee rules approved and adopted by the Council on March 17, 1982, as amended from time to time, will apply to the Resource Strategies Advisory Committee to the extent such matters are not covered in this charter.

11. Estimated Frequency of Committee Meetings

The Chair of the Committee, after consultation with the Management Officer, or his designee, will call meetings as necessary. It is estimated that approximately six meetings over two years will be held. Timely notice of meetings, including agendas, will be made. Council staff will make arrangements for Committee meetings and provide general support services.

All meetings are open to the public, unless closed pursuant to 5 U.S.C. 552b(c). Interested persons may attend committee meetings and appear before or file statements with the committee, pursuant to the Council's advisory committee policy and subject to such other rules as the Council may prescribe.

12. Estimated Annual Operating Costs in Dollars and Staff Time

\$4,000 and one month of staff time.

13. Reimbursement of Expenses

The Council will reimburse public members of the Committee for travel, including per diem in lieu of subsistence, in accordance with the Council's travel regulations for contractors and advisory committee members, for the purpose of attending committee meetings as authorized by 5 U.S.C. 5703. The Executive Director shall determine who public members are.

14. Duration

The Committee will terminate two years from the date the Council adopts this charter, unless renewed in accordance with the Federal Advisory Committee Act.

This charter for the Resource Strategies Advisory Committee was approved and adopted at a duly called meeting of the Northwest Power and Conservation Council, July 10, 2015 at Spokane, Washington.

NORTHWEST POWER AND CONSERVATION COUNCIL

By: _____
Phil Rockefeller, Chair