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## Northwest Power and Conservation Council

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October 6, 2015

### MEMORANDUM

**TO: Council members**

**FROM: Tom Eckman and Power Division Staff**

**SUBJECT: Discussion of Draft Seventh Plan**

#### **BACKGROUND:**

**Presenter:** Tom Eckman and Power Division Staff

**Summary:** Staff will identify any remaining Council member issues of a substantive nature that have are not resolved by the Power Committee in its meetings. Staff views this agenda item as the primarily opportunity for Power Committee members to discuss any remaining issues they have findings and recommendations contained in the draft plan.

**Relevance:** Council members need to be satisfied that the draft plan accurately reflects the data and analysis used to develop it and the Council's recommended policy guidance to the region in the Draft Seventh Plan. This agenda item provides members with the opportunity gain that assurance.

**Workplan:** 1.B. Develop Seventh Power Plan and maintain analytical capability

**Background:** Over the past two months all twenty draft chapters have been made available for Council member review. The Power Committee has focused most of its review and discussion on the draft Plan's Executive Summary (Chapter 1), Resource Strategy (Chapter 3) and Action Plan (Chapter 4). The versions of all chapters accompanying this memo reflect the results of the Power Committee's discussions through their October 1<sup>st</sup> webinar. At that time the Power Committee identified six action

items in Chapter 4 that they would defer deliberation on until their in-person meeting on October 12<sup>th</sup> at the Council's Portland office. These are:

**RES-1:** Achieve the regional goal for cost-effective conservation resource acquisition

**RES-6:** Meet existing Renewable Portfolio Standards

**RES-7:** Expand renewable generation technology options considered for Renewable Portfolio Standards (RPS) compliance

**MCS-1:** Ensure all-cost effective measures are acquired

**BPA-1:** Achieve Bonneville's share of the regional goal for cost-effective conservation resource acquisition

**BPA-5** Quantify the value of conservation in financial analysis and, budget-setting forums

Based on the outcome of the Power Committee's deliberations on these and any other issues, the full Council will review the final Draft Plan for adoption on Wednesday October 14<sup>th</sup>.

The most recent versions of Chapters 1-4 are included in the **full Council meeting packet**. This version of these chapters reflect all changes agreed to by the Power Committee at their webinar as well as the current narrative for the Action Items listed above that are still under discussion. These will also be emailed to you separately in Word format.

All members have already been sent Word versions of the all of the draft plan chapters shown in the Table of Contents below. However, staff will make available both a "pdf" version and individual Word versions of the complete draft plan on Friday October 9<sup>th</sup> so members have a complete draft plan available in one place. However, these versions will not reflect any modifications that may be agreed to by the Power Committee at their Monday (Oct. 12<sup>th</sup>) afternoon and Tuesday (Oct 13<sup>th</sup>) morning work sessions. Modifications resulting from those deliberations will be presented to the full Council when the draft plan is considered for adoption on Wednesday.

#### Seventh Plan Table of Contents

Chapter 1: Executive Summary

Chapter 2: State of the System

#### **Part 1: Resource Strategy and Action Plan**

Chapter 3: Resource Strategy

Chapter 4: Action Plan

Chapter 5: Bonneville's Loads and Resources

Chapter 6: Power Act Requirements and the Power Plan

**Part 2: Demand and Price Forecasts, Existing Resources, and System Needs**

- Chapter 7: Electricity Demand Forecast
- Chapter 8: Electricity and Fuel Price Forecasts
- Chapter 9: Existing Resources and Retirements
- Chapter 10: Operating and Planning Reserves
- Chapter 11: System Needs Assessment

**Part 3: New Resource Potential**

- Chapter 12: Conservation Resources
- Chapter 13: Generating Resources
- Chapter 14: Demand Response Resources

**Part 4: Developing a Resource Strategy**

- Chapter 15: Analysis of Alternative Resource Strategies
- Chapter 16: Analysis of Cost Effective Reserves and Reliability
- Chapter 17: Model Conservation Standards and Surcharge Policy

**Part 5: Other Plan Elements**

- Chapter 18: Coordinating with Regional Transmission Planning
- Chapter 19: Environmental Methodology and Due Consideration for Environmental Quality and Fish and Wildlife
- Chapter 20: Fish and Wildlife Program