

Henry Lorenzen
Chair
Oregon

Bill Bradbury
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Phil Rockefeller
Washington

Tom Karier
Washington



Northwest Power and Conservation Council

W. Bill Booth
Vice Chair
Idaho

James Yost
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Pat Smith
Montana

Jennifer Anders
Montana

July 6, 2016

DECISION MEMORANDUM

TO: Council members

FROM: Tina Jayaweera

SUBJECT: Approval of Demand Response Advisory Committee Charter

PROPOSED ACTION:

Authorize the creation of, and approve a two-year charter for, a Demand Response Advisory Committee. The Power Committee will review the charter during their meeting on July 12.

SIGNIFICANCE:

A charter is required to form a Demand Response Advisory Committee (DRAC), the formation of which was recommended in Action Item COUN-1 of the Council's Seventh Power Plan. The DRAC will assist the Council in implementing the Seventh Power Plan by identifying technical, cost, environmental, institutional, contractual, and other barriers to the development of demand response resources and assisting in developing policies and actions to resolve those barriers. The DRAC will also provide the Council with feedback and suggestions for improving the effectiveness of the demand response development in the region.

The DRAC charter reflects the scope outlined in, and comments received from the public through, the release of the Demand Response Advisory Committee/System Integration Forum issue paper, released May 16, 2016.

BUDGETARY / ECONOMIC IMPACTS

Based on an estimated one meeting per year over the next two years, support for the Demand Response Advisory Committee will cost approximately \$5000 per year for travel, teleconference and video conference meetings support; \$8000 per year

contracted services for minutes; and thirty staff days to organize and attend committee meetings.

BACKGROUND

The Power Act requires the Council produce a regional conservation and electric power plan that gives priority to resources that the Council determines to be cost-effective. To determine the cost-effectiveness of new resources, it is necessary to estimate the performance, cost and availability of new resources potentially available to the region. Demand response has not historically had an advisory committee, and the DRAC will assist the Council in the development of those estimates with respect to new demand response resources. Like other advisory committees, the DRAC is likely to play an important advisory role in identifying barriers to the development of demand response and developing policies and actions to help the region overcome those barriers.

ANALYSIS

Attached is a copy of the proposed charter for the Demand Response Advisory Committee. The charter was prepared in accordance with the Council's policy on advisory committees and the Federal Advisory Committee Act.

ALTERNATIVES

The Council could accomplish similar results without actually creating an 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.

ATTACHMENT

Demand Response Advisory Committee Charter

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CHARTER OF THE DEMAND RESPONSE ADVISORY COMMITTEE

1. Official Designation: This advisory committee will be known as the Northwest Power and Conservation Council's Demand Response 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 prepare and adopt a regional conservation and electric power plan that gives priority to resources that the Council determines to be cost-effective. To determine the cost-effectiveness of new resources, it is necessary to estimate the performance, cost, and availability of new resources potentially available to the region. The Demand Response Advisory Committee will assist in the development of reasonable estimates of the performance, cost, and availability of new demand response resources and improvements to the efficiency of the electric power system.

In order to facilitate the development of those resources that the Council determines to be desirable components of the region's future resource mix, the Council must also understand barriers that may exist to the development of these resources, and policies and actions that might be implemented to resolve these barriers. Such policies and actions constitute the research and development element of the power plan called for in the Act. The Demand Response Advisory Committee will assist the Council in the identification of barriers to the development of resources and policies and actions to address these barriers.

This advisory committee is established as part of a network of advisory committees satisfying the Council's obligation under the Act to establish a Scientific and Statistical Advisory Committee. Section 4(c)(11). Under Section 4(a)(4) of the Act, the terms of the Federal Advisory Committee Act, 5 U.S.C. Appendix I, Sections 1-14, apply "to the extent appropriate" to the Council's advisory committees.

3. Objectives and Scope of Activity: The Demand Response Advisory Committee will advise the Council during the update and implementation (associated action items from the Seventh Plan provided) of the regional Power Plan by:
 - (A) Assisting the Council in developing common definitions of demand response products that satisfy regional and local capacity requirements. [Action Items RES-4, BPA-3, REG-3]
 - (B) Assisting the Council in identifying technical, cost, environmental, institutional, contractual and other barriers to the development of demand response. [Action Items RES-4, BPA-3]
 - (C) Assisting the Council in developing policies and actions to resolve barriers to the development of demand response. [Action Items RES-4, BPA-3]
 - (D) Assisting the Council by providing feedback and suggestions for improving the effectiveness of the demand response resource development programs and activities in the region, including the evaluation of these resources and the interplay

between demand response and energy efficiency. [Action Items RES-4, RES-5, BPA-3]

- (E) Assisting the Council in implementing elements of the Seventh Plan demand response action plan. [Action Items RES-4, RES-5, REG-3, BPA-3, BPA-4]
 - (F) Assisting the Council in assessing: 1) the current performance, cost and availability of demand response; 2) technology development trends; and 3) the effect of these trends on the future performance, cost, and availability of demand response resources. [Action Item REG-3, BPA-4]
 - (G) Assisting the Council in development of the Eighth Plan's assessment of regional demand response potential. [Action Item REG-3, BPA-4]
 - (H) Assisting the Council in development of the Eighth Plan's demand response action plan.
4. Official to Whom the Advisory Committee Reports: The Demand Response Advisory Committee will report to the Council's Executive Director.
 5. Authority of the Advisory Committee: The Demand Response Advisory 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. Non-staff members of the Committee are not Council employees.
 6. Estimated Annual Operating Costs in Dollars and Person-Days: Five-thousand dollars (\$5,000) per year for travel, teleconference and video conference meetings support; eight thousand dollars (\$8,000) per year contracted services for minutes; and thirty staff days to organize and attend committee meetings.
 7. Advisory Committee Members: Every two years, the chair of the advisory committee, in consultation with the Director of the Power Planning Division, will solicit technical experts to participate on the advisory committee from a wide range of regional stakeholders. The Council's Executive Director shall approve the participants 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. Committee members shall be selected based primarily on their technical and policy expertise and experience. Members may include representatives of public and investor-owned utilities, Bonneville, the Energy Trust of Oregon, state energy offices, non-utility program implementers, state utility regulators, trade associations, energy efficiency industry firms, public interest groups, and the general public. All Committee members serve at the pleasure of the Council.

If a member is unable to complete the two year term, the organization the member is affiliated with may designate another person to serve for the remainder of the original member's term. All replacement members must be approved by the Executive Director of the Council. The Executive Director shall be responsible for ensuring Council members are timely notified of any such replacement members.

If a member is unable to attend a particular committee meeting, that member may designate another person from his/her organization to attend in his/her place. Members may also participate in committee meetings electronically via webinar or telephone.
 8. Advisory Committee Management Officer: The Advisory Committee Management Officer (Management Officer) for the Demand Response Advisory Committee will be the Director of the Council's Power Planning Division.
 9. Chair:
 - (A) The Chair of the Demand Response Advisory Committee will be selected by the Executive Director of the Council.

- (B) The Chair may be called upon to report to the Executive Director of the Council on appropriate matters, including the Advisory Committee's progress on the tasks described in Part 3 of this Charter.
 - (C) The duties of the Chair will include presiding over Demand Response Advisory 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 and the Council's staff.
 - (D) The Chair will certify detailed minutes of meetings of the Demand Response Advisory Committee. 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 thirty 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.
 - (E) Subcommittees or small workgroups of the Demand Response Advisory 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 follow the scope of responsibilities assigned to the Committee by the Council. Council staff will make arrangements for Committee meetings and provide general support services.
10. Vice-Chair:
- (A) The Vice-Chair of the Demand Response Advisory Committee will be selected by the Executive Director of the Council.
 - (B) The Vice-Chair will perform the duties of the Chair of the Committee in the absence of the Chair, and such other duties as the Chair of the Committee may assign.
11. 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 Demand Response Advisory Committee to the extent such matters are not covered in this Charter.
12. Estimated Frequency of Committee Meetings: The Chair of the Demand Response Advisory Committee, after consultation with the Management Officer, or his or her designee, will call meetings as necessary. It is estimated that eight committee meetings over two years will be held. Additional subcommittee meetings may also be held. 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 Committee meetings and appear before or file statements with the Committee pursuant to the Council's advisory committee rules and subject to such other rules as the Council may prescribe.
13. Reimbursement of Expenses: The Council will reimburse public members of the Demand Response Advisory 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 Demand Response Advisory Committee 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 Demand Response Advisory Committee was approved and adopted at a duly noticed meeting of the Northwest Power and Conservation Council, July 12-13, 2016 in Olympia, Washington.

NORTHWEST POWER AND CONSERVATION COUNCIL

By: _____
Henry Lorenzen, Chair

Date Filed: _____