

Henry Lorenzen
Chair
Oregon

Bill Bradbury
Oregon

Phil Rockefeller
Washington

Tom Karier
Washington



Northwest Power and Conservation Council

W. Bill Booth
Vice Chair
Idaho

James Yost
Idaho

Pat Smith
Montana

Jennifer Anders
Montana

July 6, 2016

DECISION MEMORANDUM

TO: Council members

FROM: Steven Simmons
Senior Economic Analyst

SUBJECT: Approval of Natural Gas Advisory Committee Charter

PROPOSED ACTION:

Authorize the creation of, and approve a two-year charter for, a Natural Gas Advisory Committee

SIGNIFICANCE:

The charter for the Natural Gas Advisory Committee (NGAC) expired March 2016. The NGAC will advise the Council of changing conditions in the natural gas markets and their implications for the implementation of the Council's Seventh Power Plan. Except for minor updates to create better uniformity across the Council's advisory committee charters, the provisions of the proposed charter remain largely the same as the previous charter for the NGAC.

BUDGETARY / ECONOMIC IMPACTS

Support for the Natural Gas Advisory Committee will cost approximately \$8000 per year in travel support to public committee members. In addition, about two to three weeks of staff time will be required to coordinate meetings, develop agendas, prepare presentations and minutes, and attend meetings.

BACKGROUND

The Power Act requires the Council produce a long-term regional demand forecast for electricity. Natural gas plays an important role in both the forecast of electricity demands and the cost of electricity generation using natural gas fueled alternatives. The NGAC has played an important advisory role in the development and implementation of the Council's power plan by advising on important assumptions and analyses regarding the natural gas markets in the region.

ANALYSIS

Attached is a copy of the proposed charter for the Natural Gas 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.

ATTACHMENTS

Natural Gas Advisory Committee Charter
List of proposed NGAC members

NGAC Members

Name	Affiliation
Adam Rue	EWEB
Bill Dickens	Tacoma Power
Edward Finklea	NWIGU
Fred Heutte	NW Energy Coalition
Jim Robbins	Kootenai Electric Coop
Tom Pardee	Avista
Dan Kirschner	NWGA
David Hawk	Consultant
Michael Cocks	BPA
Mike Hopkins	FortisBC
Randy Friedman	NW Natural
Ken Ross	FortisBC
Jay White	TransCanada
Ken Zimmerman	Consultant
Mark Sellers-Vaughn	Cascade Natural Gas
Brian Robertson	Cascade Natural Gas
Clay Riding	NW Innovation Works
James VandenBos	BPA
Sam Van Vactor	Economic Insight
Kacee Chandler	Puget Sound Energy
Greg Nothstein	WA Commerce
Terry Morlan	Consultant
Massoud Jourabchi	NWPCC
Steven Simmons	NWPCC

Henry Lorenzen
Chair
Oregon

Bill Bradbury
Oregon

Phil Rockefeller
Washington

Tom Karier
Washington



Northwest Power and Conservation Council

W. Bill Booth
Vice Chair
Idaho

James Yost
Idaho

Pat Smith
Montana

Jennifer Anders
Montana

CHARTER OF THE NATURAL GAS ADVISORY COMMITTEE

1. **Official Designation:** This advisory committee will be known as the Northwest Power and Conservation Council's Natural Gas 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(d)(1), 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. Natural gas plays an important role in both the forecast of electricity demands and the cost of electricity generation using natural gas fueled alternatives. The Natural Gas Advisory Committee is being formed to assist the Council in the development and implementation of the Northwest Conservation and Electric Power Plan (power plan) by advising on important assumptions and analyses regarding the natural gas markets in the region.

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 Natural Gas Advisory Committee will advise the Council during the development and implementation of its power plan of changing conditions in the natural gas markets and their implications for the Council's plan by:
 - (A) Assisting the Council in identifying significant changes in natural gas markets and their implications for future gas supplies and prices;
 - (B) Providing guidance on the availability and deliverability of natural gas to electric generation plants as part of the assessment of resource adequacy;
 - (C) Assisting the Council in evaluating new analytical tools, and advising on the most appropriate study designs; and
 - (D) Helping to identify sources of information and data, and suggesting ways that electric and gas utilities can cooperate in analysis and planning.

4. Official to Whom the Advisory Committee Reports: The Natural Gas Advisory Committee will report to the Council's Executive Director.
5. Authority of the Advisory Committee: The Natural Gas 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 Staff Time: \$8,000 plus two weeks of staff time per year.
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 expertise and experience. Members may include regional electric or gas utilities, natural gas pipeline companies, natural gas suppliers as well as utility commission, and public interest groups. 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 Natural Gas Advisory Committee will be the Director of the Council's Power Planning Division. The Management Officer will designate members of the Council's staff to coordinate and attend meetings of the Committee.
9. Chair:
 - (A) The Chair of the Natural Gas 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 Natural Gas Advisory Committee meetings, setting agendas for meetings, ensuring that detailed minutes of 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 Natural Gas 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 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 the other interested persons.

- (E) Subcommittees or small workgroups of the Natural Gas 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) A Vice-Chair of the Natural Gas Advisory Committee may be appointed from Council staff by the Council's Executive Director.
 - (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 Natural Gas Advisory Committee to the extent such matters are not covered in this Charter.
12. Estimated Frequency of Committee Meetings: The Chair of the Natural Gas Advisory Committee, after consultation with the Management Officer, or his or her designee, will call meetings 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 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 Natural Gas 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 Natural Gas 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 Natural Gas Advisory Committee was approved and adopted at a duly called 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: _____