



October 31, 2014

Bill Bradbury, Chair
Northwest Power and Conservation Council
851 SW Sixth, Suite 1100
Portland, OR 97204-1348

Via e-mail, comments@nwcouncil.org

RE: Comments on the High Level Indicators and Environmental Methodology Issue Papers for the Seventh Power Plan

Dear Chair Bradbury:

Thank you for this opportunity to provide comments on the Council's issue papers on the proposed metrics to track meeting the goals of the Council's power plans (High Level Indicators) and on quantifying the environmental costs and benefits of generating and energy efficiency resources (Environmental Methodology).

PNGC Power, based in Portland, is an electric generation and transmission (G&T) cooperative owned by 14 Northwest electric distribution cooperative utilities with service territories in seven western states. In addition to serving the wholesale power and transmission needs of our member utilities, PNGC Power represents the interests of our members in various policy and legal forums.

PNGC Power believes that the Council should approach the writing of the Seventh Power Plan (the Plan) by using a conservative interpretation of the Northwest Power Act (the Act). What does the Act explicitly require the Council to consider in writing the Plan? The comments below reflect this approach.

High Level Indicators

We oppose the development of High Level Indicators as described in the issue paper. The Act requires the Council to develop a Power Plan with certain provisions, but these provisions do not give the Council the authority to direct utilities to make resource decisions. The Council has proposed the development of metrics to measure the success of plan implementation and the Council's success in meeting the goals of the Act, but the Act does not give the Council authority and control over actions that it proposes to measure. If the Council wishes to develop these metrics, it should conduct a robust public process similar to the process used to develop the High Level Indicators for the Fish and Wildlife Program, after the completion of the Seventh Power Plan.

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Environmental Methodology

The Environmental Methodology paper includes a discussion of the Council's efforts to interpret terms that are not defined in the Act: costs and benefits to the environment, costs and benefits that are quantifiable, and direct costs of the resource that are directly attributable to the resource. We encourage the Council to apply a conservative approach when seeking a common-sense understanding of these terms, as guided by the context of the Act and the discussions in the Act's legislative history.

We encourage the Council to carry forward the four components of the Environmental Methodology included in the Sixth Power Plan. These include: 1) the cost of existing regulations; 2) the potential cost of new regulations; 3) consideration of environmental benefits; and 4) residual environmental costs.

The Council has rightly identified the uncertainty surrounding future implementation of new regulations such as those proposed by the Environmental Protection Agency under Section 111(d) of the Clean Air Act. We encourage the Council to focus on existing regulations. For example, the new proposed 111(d) rules are far from final and are likely to undergo major changes in coming years.

Finally, we are opposed to the concept of creating new renewable energy facility siting programs and processes that evaluate the fish and wildlife impacts of all new energy sources and associated transmission infrastructure. Existing regulatory agencies have the statutory responsibility to conduct extensive processes to assess the impact of new energy projects on fish and wildlife resources. Council involvement in this area not necessary, and could be counterproductive.

Conclusion

Thank you for this opportunity to comment on the High Level Indicators and Environmental Methodology papers. We look forward to working with the Council during the remainder of the Seventh Power Plan process.

Sincerely,

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.

President & CEO
PNGC Power