

Bruce A. Measure
Chair
Montana

Rhonda Whiting
Montana

W. Bill Booth
Idaho

James A. Yost
Idaho



Dick Wallace
Vice-Chair
Washington

Tom Karier
Washington

Bill Bradbury
Oregon

Joan M. Dukes
Oregon

Council Meeting
Boise Idaho
March 8-9, 2011

Minutes

Chairman Measure called the meeting to order at 1:30 p.m., Tuesday, March 8, 2011. Jim Yost welcomed the Council to Boise.

Reports from Fish and Wildlife, Power and Public Affairs committee chairs:

Bill Booth, chair, fish and wildlife committee; Tom Karier, chair, power committee; and Rhonda Whiting, chair, public affairs committee

Fish and Wildlife Committee chair Bill Booth reported that the committee had a productive meeting, which followed a work session in February to work on the Research, Monitoring and Evaluation (RME) categorical review. We will be meeting again before the Council's April meeting, and we will move about 90 to 95 projects forward for approval, he said, leaving 60 to 80 projects that need more work. We heard from Nancy Leonard on the Monitoring, Evaluation, Research, Reporting (MERR) Plan, he said. Booth said the committee took up two artificial production projects, and both received positive recommendations and they will come to the Council in April for approval.

Tom Karier, Power Committee chair, said the first topic for the committee was an update by John Fazio on power supply adequacy, which show supply is adequate to 2015. We had a report on the direct use of gas, which assesses where and when it makes sense to switch from electricity to natural gas, Karier said. Fazio also reported on federal agency work on climate change, which will give the Council the option of incorporating climate change adjustments into developing the Council's Power Plan, he said. The committee also talked about the Regional Technical Forum (RTF) review and a recommendation to develop a committee to advise the Council on the RTF, Karier said. He noted that the staff's surplus energy paper will be ready for release soon.

Rhonda Whiting, Public Affairs Committee chair, said the committee would meet later in the day, and she listed the items on the agenda.

Update on activities of Columbia Basin Trust:

Dick Wallace, Council Vice-chair.

Dick Wallace reported on recent activities related to the Columbia Basin Trust. He noted that the Council will be signing a Memorandum of Agreement with the Trust that says the entities will work closely on projects of mutual interest, share scientific information, and sponsor joint

conferences. He named joint projects that are under way, and said the Council and the Trust are look for a joint fish and wildlife project.

1. Panel on Idaho energy policy:

Ric Gale, Idaho Power Company, on the Idaho Energy Efficiency Policy Institute; and Paul Kjellander, Idaho Office of Energy Resources.

Ric Gale of IPC and Paul Kjellander of the Idaho Office of Energy Resources updated the Council on energy efficiency efforts in Idaho. Gale described the Center for Advanced Energy Studies' (CAES) initiative to develop an Energy Efficiency Research Institute (EERI), a public/private university-based partnership to advance energy efficiency.

Since its beginning in 2001, EERI has ramped up to a full suite of energy efficiency and demand response measures for all customer sectors, Gale said. IPC sees the potential for a 360-MW resource in its 3,200 MW peaking.

EERI is working on a set of deliverables in four areas, Gale reported: outreach, workforce development, professional curriculum, and research. He said there have been "spin-off benefits" of having Boise State, the University of Idaho, and Idaho State work together, including the development of core classes that can be offered at all three universities.

The Idaho Strategic Energy Alliance (ISEA) grew from the state's 2007 Idaho Energy Plan, Kjellander explained. Governor Otter wanted a serious effort to promote energy efficiency and renewables that looked across all economic sectors in the state.

ISEA provides an opportunity to inform Idaho citizens about the energy resource mix in the state and eliminate misperceptions, Kjellander said, noting that many people think all of Idaho's electricity comes from hydro, which is a shrinking part of the mix. It is also a chance to talk about transmission, and we can educate people about the interconnected system and why things in California affect us here in Idaho.

ISEA builds on the legislature's energy plan, but has broadened the view to take in all energy resources, he said. Our mission is "to serve as an honest broker" in addressing the state's energy challenges and take advantage of opportunities that can lead to jobs, exports, and partnerships, according to Kjellander.

Yost asked if Idaho is gaining enough in energy efficiency to serve the state's growth. We don't think energy efficiency will cover all of our needs, Kjellander responded. "It isn't a silver bullet," but it is one of the pieces, he said.

Idaho was the first state in the West to decouple electricity rates for energy efficiency, Karier commented. Gale said IPC is in its fifth year with "partially decoupled" rates. Our residential and small commercial customers are decoupled, which was a good place to start, he added.

2. Panel on Idaho Power Company planning issues:

Mark Stokes on Idaho Power's Integrated Resource Plan; and Jim Tucker on Idaho Power's hydro relicensing.

Mark Stokes of Idaho Power Company (IPC) briefed the Council on the company's Integrated Resource Plan (IRP). A big part of preparing the plan is involving the public, he said. We began the 2011 plan last August and will file it with the Public Utility Commission in June, Stokes said. The IRP addresses both supply and demand, but before we start looking at the supply side, we consider all of the cost-effective energy efficiency available, he stated.

Stokes explained the challenge IPC is facing with wind development. The 1978 Public Utility Regulatory Policy Act (PURPA) created a federal requirement for utilities to purchase energy from small generating projects, he said. We have been doing that since the 1980s, but last year, we saw "a big influx" of wind developers at our door, Stokes said.

IPC is currently integrating 395 megawatts (MW) of wind generation on its system, and about 200 MW came on line at the end of 2010, he continued. The utility recently signed PURPA contracts for an additional 771 MW of wind, Stokes said, adding that IPC could be integrating 1,166 MW of wind within the next couple of years, and its minimum load is less than 1,100 MW. "You can imagine what that would do to our system," he stated. Having so much wind is creating a surplus in light load hours and keeping market prices low, Stokes added.

Tom Karier asked how IPC is dealing with overgeneration. IPC can curtail wind for reliability, but not for economic reasons, Stokes replied.

Stokes described the utility's planned Boardman to Hemingway project, which is still the company's preferred path for more transmission to the west. The line could come on in 2016, but it is a very involved process to site transmission and it takes a lot of time, Stokes stated. IPC has also partnered with PacifiCorp on the Gateway West project, which would increase capacity from Idaho to Wyoming, he said.

More transmission is needed to address constraints, according to Stokes. IPC is a summer-peaking utility, while other Northwest utilities peak in winter, which creates an opportunity on both sides in the Mid-Columbia market, he said. But transmission is an issue, Stokes added.

He pointed out that most of the state's wind generation is being developed in southern Idaho, which also affects transmission. Stokes acknowledged IPC has an issue with whether it should pay avoided costs under PURPA since large projects are being split into segments to qualify.

IPC plans for a hot summer peak and assumes wind has a 5 percent capacity factor, he said. That is "a more generous" assumption than some utilities make, Stokes added. He noted that wind integration is a regional issue, and BPA is dealing with similar problems.

Jim Yost asked about the reserve requirement for wind, and Stokes said the company is gaining experience with that. When you integrate wind, you have to hold more reserves than you do for other purposes – "it's a balancing act," he added.

Idaho Power's Hells Canyon relicensing effort began in the 1990s and has been going on for 15 years, according to Jim Tucker of IPC. The company filed a 36,000-page relicensing application

with the Federal Energy Regulatory Commission (FERC) in 2003, one of the largest ever filed, he said. In July 2005, the Hells Canyon operating license expired, and the project has been going forward with annual licenses, Tucker said. The two unresolved issues holding up a new license are state Clean Water Act certification and formal consultation under the Endangered Species Act (ESA), he reported.

Tucker explained that the Hells Canyon Complex has 1,167 MW of capacity, which provides 70 percent of IPC's hydro base and 40 percent of the company's annual generation. The projects also offer the majority of the company's load-following and peaking capacity and are why IPC's rates are so low, he indicated.

The Bliss Rapids snails were put on the ESA list in 1992, which complicated IPC's relicensing of its mid-Snake projects, and the company is now dealing with the U.S. Fish and Wildlife Service (USFWS) on bull trout, listed in 1998, and with NOAA Fisheries for ESA-listed salmon and steelhead, Tucker said.

IPC has been consulting with NOAA on anadromous fish issues, including a fall chinook plan, spring stranding and entrapment monitoring, and flow augmentation that adheres to temperature and dissolved gas standards, he said. NOAA has the authority to require fish passage past the dams, but it did not do so in the Hells Canyon case, Tucker explained. Instead, IPC is assessing whether conditions above the dams would allow for reintroduction of anadromous fish in the next license period, he said. "We are in a pretty good place with NOAA," Tucker added.

He described the measures IPC has taken to protect bull trout, including habitat improvements and ongoing monitoring. We've addressed the impacts to the species with USFWS and NOAA Fisheries, Tucker stated.

IPC filed with the states of Oregon and Idaho for "401 certification" under the Clean Water Act in July 2003, he reported. The states must act within a year of the filing, so IPC has filed seven applications with the states "to keep the clock going," Tucker said. Water released at the dams has to meet water quality requirements for dissolved gas and temperature downstream, he said. The unresolved issue is meeting the 13-degree centigrade spawning temperature for fall chinook downstream, and IPC has been "going back and forth" to find a mitigation measure to address it, Tucker stated.

The inflow at Brownlee Reservoir is above the spawning temperature, but releases from the dam cannot be, he explained. IPC is out of compliance for a two-to-three week period in late October, Tucker said. There are two measures that could address the situation, and the company has proposed a watershed improvement approach with projects upstream to bring down the temperature, he noted. The other option is to build a temperature control structure (TCS) that would bring water from the depths of Brownlee to cool releases from the dam, Tucker said.

The watershed approach would be an opportunity for stakeholders to work together to improve water quality and riparian habitat upstream, he said. But we found that because of the physical distance between measures upstream and the area below Brownlee, it is hard to gauge "whether the measures are doing the job downstream," Tucker stated. We had lots of initial success with the states, but found downstream interests have their sights set on the TCS measure, he added.

The TCS “treats the symptoms, not the source,” and there is a problem with moving “anoxic H₂O and toxics” downstream with water brought up from the bottom of the reservoir, Tucker continued. The question is whether this is necessary to benefit fall chinook, he said.

“We have been stalled since 2006 on these issues,” Tucker stated. Gaining the 401 certification is the unknown in the relicensing schedule, he said.

In the last six months, we have pulled back from the watershed approach, Tucker noted. We’ve proposed a pump system to pump cool water downstream to meet the water quality standard, he said. NOAA Fisheries and USFWS are concerned about the anoxic H₂O, Tucker added.

“We are in a system that is somewhat broken,” he stated. “We have a reasonable alternative to move forward, but we can’t quite get there with the Oregon Department of Environmental Quality,” Tucker said.

Bill Bradbury asked about NOAA Fisheries and USFWS concerns about the TCS. Tucker responded that a working group had done modeling on the effects, and NOAA wanted to see if there would be benefits of the TCS for other areas downstream. The agency concluded there were not benefits for fish downstream, and there are concerns about the anoxic H₂O and toxics, he said. We are going with the pump proposal because we have not been able to get to another solution, Tucker wrapped up.

3. Presentation on Idaho Sockeye Hatchery:

Paul Kline, Idaho Department of Fish and Game.

Paul Kline of the Idaho Department of Fish and Game (IDFG) briefed the Council on plans for a new sockeye production hatchery near the town of Springfield in Bingham County Idaho. He began his presentation with an overview of the population and current conservation plan. The Snake River sockeye migrates farther than any other Pacific salmon – about 900 miles – and to the highest elevation – about 6,500 feet, Kline said. It is also the most southerly run, he added.

Kline said the near-term program goals are to avoid population extinction; conserve population genetic diversity; and begin increasing numbers in the wild. He described the five facilities, including hatcheries and a research station, where the program is being carried out. At the program hatcheries, broodstock is cultured in tanks to manage risks, Kline noted. He pointed out the location of the Springfield Hatchery in relation to the other facilities.

Kline went on to describe three lakes in the Upper Snake River Basin where the population is being reintroduced: Alturas, Pettit, and Redfish. Redfish is the largest of the lakes, he said, and the primary location where elements of the program are working.

Karier asked about IDFG’s efforts in the 1950s to remove sockeye from the lakes in the upper basin. Kline replied that in the 1950s and 1960s, Yellowbelly, Stanley, and Pettit lakes were treated to remove the sockeye. Redfish and Alturas lakes were not treated, and 1962 was the last year of treatment, he said.

Kline described the “release strategies” that seem to be working best to boost the smolt-to-adult return numbers (SARs). He noted that the natural production strategy (fish produced in the lakes) leads to the best SARs.

So far, the captive broodstock program has successfully met its goals, Kline reported. The master plan has three phases, captive broodstock, recolonization, and local adaptation, which he described, along with how IDFG plans to carry out each phase and the goals for each. Kline pointed out where the Springfield Hatchery fits into the master plan, noting it is part of establishing a self-sustaining anadromous broodstock. He also laid out “triggers” that indicate to managers that it is time to move to the next phase of the program.

Kline described the monitoring and evaluation (M&E) efforts, which he said are largely in place and ongoing. He also went over the general areas of emphasis in the M&E, which include genetic monitoring, broodstock selection, and reintroduction strategies. There are also new features for M&E, which he explained.

Kline moved next to a detailed description of the proposed Springfield Hatchery, its design, cost, and timeline for completion. He noted that the site for the hatchery is a 72-acre parcel owned by IDFG that was previously a trout farm. Kline described the facilities that will be constructed at the site and the costs. He said IDFG is talking to BPA about moving more of the state’s Accord money to “augment the construction bank account,” which will be needed in 2012-13.

The Council will be asked to approve Step 1 of the Springfield Hatchery master plan in April, and we will complete more specific cost estimates for Steps 2 and 3 in 2011, Kline indicated. We have set “an aggressive biological timeline” in the plan and could have returns to the new hatchery as early as 2016, he wrapped up.

“This is one of the region’s success stories,” Karier stating, noting that the Council supported the Snake River sockeye captive broodstock program despite an Independent Scientific Review Panel (ISRP) recommendation against it. Rhonda Whiting pointed out that IDFG had done “an outstanding job” with cost-sharing. Kline said IDFG has identified a million dollars in cost-share funds.

Bill Booth noted that the master plan received a strong ISRP review report, with minor suggestions, and that the F&W Committee voted unanimously in favor of the plan.

4. Briefing on 2011 Fishery Forecasts and 2010 Fishery Retrospective:

Bill Tweit, Washington Department of Fish & Wildlife; and Ed Schriever, Idaho Department of Fish and Game.

Bill Tweit of the Washington Department of Fish and Wildlife recapped 2010 salmon runs and the forecast for 2011. The numbers are developed by the *U.S. v. Oregon* technical advisory committee, which updates the inventory on the runs and provides forecasts, he said.

Tweit presented the numbers for each stock. The forecast for upriver spring chinook, “the first fish back,” is near or above the 10-year average, he said, noting that returns in recent years have been “significantly above the previous two decades.” The Upper Columbia wild spring chinook, the endangered portion of the run, is one of the few fish where the 10-year average is below returns in the 1980s, Tweit reported. This run does not appear to be responding as well to improved conditions, he added.

The Upper Columbia summer chinook are not listed and are doing well, Tweit continued. It was one of the first runs “to crash” after dam construction, and in the 1960s and 1970s there was no

harvest on this run, he said. Since changes occurred in ocean conditions and mainstem passage, the run has set records, and there is “fairly strong” natural production, Tweit stated.

He called the 2010 sockeye return “amazing,” with 387,900 fish returning, three times the forecast, primarily to the Okanogan and Wenatchee basins. Most of the sockeye are natural production, and they have been aided by good ocean conditions and improved passage at dams on the Columbia River, including the Mid-Columbias, Tweit said.

The upriver summer steelhead run continues to be strong, with 410,400 returning in 2010, he reported. For fall chinook, the effects of ocean productivity “are cycling through,” Tweit said, adding there is “a dramatic ocean signal” in this run, which returned 648,600 adults in 2010.

There is a downward trend since a peak in the 1990s for the harvestable portion of the white sturgeon run below Bonneville Dam, he continued. We are trying to maintain the levels so we are ratcheting down harvest, Tweit reported. “Predation impacts have led to lean years of recruitment but sea lion predation makes us very nervous,” Tweit acknowledged.

Tweit listed WDFW’s concerns for the 2011 fishing season, noting that with most runs forecast at average or above, management is not as difficult. “First and foremost” are concerns related to the ESA and meeting the escapement goals, he said. For most runs in 2011, there will be harvest, Tweit concluded.

Karier asked about the debate over barbless hooks, and Tweit said discussions continue between Oregon and Washington. The two states could not reach agreement on a concurrent regulation after Washington passed a ban on barbed hooks and consequently, Washington withdrew its regulation, he said. Oregon sees things differently from Washington on this issue, “which is unusual,” Tweit added. At some point, we need to reconcile the disagreement, he said.

Ed Schriever of the Idaho Department of Fish and Game (IDFG) said the number of natural run fall chinook over Lower Granite Dam took a big jump in 2010, with 9,500 fish counted. An IDFG graph shows the next highest year in the past decade was 2000, when just over 5,000 salmon crossed the dam. There were also significant hatchery returns of nearly 35,000, he said.

“We are very excited about the sockeye trends on the Snake,” Schriever continued. These fish “are back from the brink of extinction,” he stated. In 2010, we had over 2,000 fish at Lower Granite, which beat our forecast of 700 to 1,100, Schriever said. He added that 2010 was the first time IDFG allowed natural fish to go into Redfish Lake to spawn “without processing.”

IDFG is still counting steelhead that crossed Bonneville Dam last summer, Schriever said. The count of natural and wild steelhead already exceeds 40,000, he reported, and the final count could be 10 to 12 percent higher than that.

For spring and summer chinook, the returns have been on an upward trend, Schriever indicated. In 2010, the return was above the 10-year average, and with a forecast near 60,000 for both natural and hatchery salmon, it is expected to exceed the average again in 2011, he concluded.

Schriever said IDFG has employed emerging technologies to upgrade its M&E effort with funding from the Council’s fast-track projects. The agency has gathered data for a new genetic baseline, which has allowed for breaking the Lower Granite escapement into genetic

components, he said. We have taken a major step forward with identifying the numbers of fish and where they go, Schriever said. The M&E helps define populations at a fine scale, he stated.

5. Briefing on Lamprey Passage and Sturgeon at Mainstem Federal Dams:

Mike Langeslay, Portland District, U.S. Army Corps of Engineers.

Mike Langeslay of the Corps of Engineers reported on efforts to improve lamprey passage at dams. Prior to the 1990s, the Corps had only ladder counts to measure adult passage, and in 1996, the Corps started doing radio telemetry studies, he said. By 1997, we saw that only about one-third of the tagged adults made it past Bonneville Dam, Langeslay reported. Further research identified specific problem areas, he said.

Studies have also been conducted on juvenile lamprey passage, Langeslay continued. We found that the juvenile lamprey were being impinged in screens, but by stepping down the bar spacing, we could lessen the problem, Langeslay reported. The juveniles proved to be less sensitive than we thought to turbine pressure and shear, he said.

As a result of funding from the 2008 Columbia Basin Fish Accords, we have developed a 10-year lamprey plan that focuses on adult and juvenile passage at Corps dams, Langeslay explained. He detailed steps in the plan, including research into fishways and alternative passage systems for adults, and replacing turbine intake screens and developing smaller tags for juveniles.

Rhonda Whiting asked which tribes are sponsoring the lamprey effort, and Langeslay said the Corps is working with the Warm Springs, Umatillas, and Yakama tribes.

Langeslay went on to describe work that is going on with sturgeon. We are seeing an increasing population of stellar sea lions and more predation on sturgeon, he said. Langeslay acknowledged that the Corps is puzzled by increasing numbers of dead sturgeon being found in ladders, turbines, and dewatered areas and there is speculation the sturgeon are taking refuge in these areas since the increase has occurred simultaneous with more predation.

The path forward for the sturgeon work includes looking at our dewatering procedures, Langeslay reported. There is also a new task force and beefed up research, he said.

6. Update on residential exchange:

Scott Corwin, Public Power Council; Phil Obenchain, Pacific Power Company; and Mark Gendron, Bonneville.

Mark Gendron of BPA told the Council that for nearly a year, “a very significant and large contingent” that includes BPA, preference customers, investor-owned utilities (IOUs), state regulators, and retail customers has been engaged in a mediation process to reach a settlement, he said.

The effort led to “an agreement in principle” last fall, which laid the foundation for the parties to craft a binding settlement, he continued. In the midst of the process, BPA commenced a Residential Exchange rate case, and last week, the final settlement document was uploaded to the rate case site, Gendron said. Parties are now considering its provisions and will decide whether to accept it, he stated, adding that the settlement requires “a critical mass of support” to work.

The critical mass must include 91 percent of BPA's preference customer load; six IOUs; utility commissioners in Idaho, Oregon, and Washington; Oregon's Citizens Utility Board; Public Power Council (PPC); Northwest Requirements Utilities; and PNGC Power, Gendron said.

These parties must execute the agreement by April 15, 2011, and if a "critical mass" does not sign, then there is no settlement, he stated. In that case, BPA would set Residential Exchange rates based on the same approach it took in the last two rate cases, and parties would resume litigation in the Ninth Circuit Court, Gendron explained.

If we get to a settlement, BPA will continue its rate process, which addresses whether BPA should sign the deal, Gendron continued. The BPA Administrator also needs to decide to set rates for signers and non-signers on the basis of the agreement, he said. It will take both BPA's signature and that decision to make the settlement effective, Gendron explained.

BPA staff evaluated the settlement and concluded it would result in lower than expected costs to BPA's preference customers, provide certainty, and has the potential to reduce litigation, he said. Staff has recommended the Administrator sign it, Gendron stated.

Scott Corwin of PPC and Obenchain explained key provisions of the settlement. Corwin pointed out that it includes a refund credit on preference customer bills that represents overpayments BPA made to IOUs under a previous Residential Exchange methodology ruled unlawful by the court. The refund amount is \$76.5 million per year for the next eight years, and there is a formula in the settlement for allocating the refund among preference customers, he said.

Obenchain said IOUs will continue to file their average system costs (ASC) with BPA, which are used to determine if a company qualifies for exchange benefits. Under the settlement, IOUs that are due interim exchange payments will receive them, and the IOUs will receive 14 percent of future renewable energy credits and carbon credits that might become available from resources that serve Tier 1 preference customer loads, he explained. In addition, Idaho Power's "deemer obligation" under the Residential Exchange will be extinguished, Obenchain stated.

Another provision states that signers will seek legislation to affirm the settlement, Corwin said. There was a lot of attention given to this provision, he acknowledged, adding that there is an allowance for a signer to cease seeking legislation under certain circumstances. The settlement agreement is not contingent on legislative approval, Corwin added.

He also pointed out there could be proposals in Congress that change the value of federal power for preference customers. In light of the possibility such a proposal would pass, there is a trigger to terminate the agreement in certain events, Corwin indicated.

Gendron explained that signers agree not to challenge the settlement in court and to petition the court to dismiss the current litigation. They will also ask the court to expedite review if the settlement is challenged by non-signers, he said. Gendron went on to explain details of the rate treatment for non-signers and a provision that says when the settlement terminates at the end of fiscal year 2028, signers are free to pursue legal challenges again.

He described BPA's financial analysis of the Residential Exchange, with payments made to the IOUs since 1982 and projections under the settlement, including the "look back" amounts since 2008. Gendron also offered a graph showing the trajectory of costs under four cases: settlement;

status quo (last two BPA rate cases); preference customers' current briefed case; and IOUs' current briefed case. BPA staff concluded the settlement is fair and provides "superior rate protection" under the 7(b)(2) rate test, he said.

There are six weeks for over 140 parties to consider the settlement, Gendron stated. BPA is helping utilities understand the consequences of a decision to settle or not, he wrapped up.

7. Recommendations on Regional Technical Forum from Northwest Energy Efficiency Taskforce review:

Bill Drummond, manager, Western Montana Electric G&T Cooperative, Inc.

Bill Drummond, who chaired a Northwest Energy Efficiency Taskforce (NEET) review of the Regional Technical Forum (RTF), reported on his committee's final recommendations. He explained the background of the RTF and NEET's review, noting the RTF "functioned in obscurity" for about 10 years. But as its workload and the region's expenditures on energy efficiency increased, there was more focus on its work, Drummond stated.

NEET formed a 20-person RTF review committee, which hired EMI Navigant to assist with the work, he continued. The committee's primary recommendation is to form an RTF Advisory Committee, and we have suggestions on the composition of such a group and a list of near-term actions, Drummond added.

The overall goal of the advisory committee, he said, would be: to help the Council preserve the RTF's independence; engage stakeholders; secure resources necessary for the RTF's technical work; review RTF progress; and provide consensus recommendations to the Council. The Council would retain authority over the RTF, Drummond said, adding that over time, "not a lot of issues have bubbled up to your level" and that would change. With hundreds of millions of dollars being spent in the region on energy efficiency, "the measurement and valuation must be solid," he stated.

Drummond said the NEET review group came up with 22 members for the advisory committee, and he indicated there was an emphasis on those who fund the RTF. State regulators are included and can choose to be ex officio members, he explained. Under the recommendation, a chair and vice chair would be appointed by the Council from "leadership-level members," who can make policy and funding decisions for their organizations, Drummond said. We envision the committee would meet quarterly and foresee light funding requirements for their work, he added.

The RTF would continue its technical work -- the advisory committee would help with prioritizing a work plan and assuring funding, Drummond clarified.

Right now, three funding entities have decided they will not contribute their allocation for the current year, he continued. "The value proposition" isn't there for them, and the advisory committee would "close the loop" and assure work is being done that funders support, Drummond stated. This year, the issues will be resolved among funders, but in the future, we need multiyear funding, he said.

In addition, Drummond said the advisory committee needs to look at the RTF process and the guidelines now being drawn up for how savings are deemed. There are policy issues emanating from the guidelines, and the committee would examine them, he added.

In the end, my vision is that the RTF would become “the gold standard” for savings that everyone uses, Drummond stated. It would be the “preeminent” organization for measurement and valuation, with everyone using and supporting it, he wrapped up.

Karier, who co-chaired NEET’s review committee, called the RTF one of the “preeminent monitoring organizations in the country,” and one that has been of “phenomenal value” to the region. He indicated that as the RTF’s reach expands, its funders want a role.

The Council provides a buffer to keep the RTF independent, Karier explained. “Once it becomes political and not technical, it falls apart,” he said. The Council can screen out the political issues, while assuring funders they get what they pay for, Karier stated. He said a charter for the advisory committee is being drawn up and would be up for Council approval in April.

8. Council Business:

– Approval of minutes

Wallace made a motion that the Council approve for the signature of the Vice-Chair the minutes of the February 8-9, 2011 Council meeting held in Portland, Oregon. Dukes seconded the motion, which passed unanimously.

The meeting adjourned at 11:55 a.m.

Approved April 13, 2011

/s/ Dick Wallace

Vice-Chair

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