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January 7, 2014

MEMORANDUM

TO: Council Members

FROM: Charlie Black, Power Planning Division Director

SUBJECT: Draft Schedule and Process for Seventh Northwest Power Plan

Council staff is continuing to develop a draft schedule and process for the upcoming Seventh Northwest Power Plan. This effort includes informal check-ins with a variety of regional interests; further such discussions will be taking place.

The meeting on January 14 provides a timely opportunity for the Council to review and provide guidance on the current draft process description and overall schedule for the power plan. The attached document provides an overview of the process, analytical approach and schedule as currently drafted.

Attachment

Process Overview

Development of the Seventh Power Plan begins in earnest in 2014. Most of the advisory committees have held kick off meetings in the last few months, and work to develop various forecasts, related research, analytical tools, and project planning is underway.

Engaging the public and stakeholders in the development of the plan is a Council priority. In addition to the advisory committee work, staff has presented energy primers and process overviews at Council meetings to prepare members and the public on key issues. We have also held symposiums on plan-related topics such as carbon emissions and California's energy markets, with more planned in the months ahead.

A draft schedule is being developed and work during 2014 will include: develop an environmental methodology, extensive public engagement to interested parties, framing issues for analysis, and continued work on forecasts, assumptions and inputs. In early 2015, system modeling will ramp up. We expect to release the draft plan for public comment in late summer 2015. We expect the final version to be adopted by the Council near the end of 2015.

Three major items are affecting the plan's schedule:

- Redeveloping the regional portfolio model - including selecting a vendor and working with them to complete the project by the beginning of 2015
- Development of updated environmental methodology
- Additional time to complete the fish and wildlife program

The Council is committed to actively engaging all interested parties in the Seventh Power Plan process, and we welcome your comments and questions.

Key Contacts:

- Charlie Black - Power Planning Director
- Mark Walker - Public Affairs Director
- Chad Madron - Project Specialist

<http://www.nwcouncil.org/contact/>

Analysis Areas of Focus and Tools

- **Narratives/Issues Discussion**
- **Symposiums**
- **Assumptions, Forecasts, and Other Inputs (with Advisory Committee Review)**
- **Market/Industry Analysis (AURORA/Other)**
 - Utility Business Model
 - Energy Efficiency Implementation
 - Differences Among Utilities
- **Resource Adequacy - (Genesys)**
 - Capacity
 - Energy
- **System Integration and Balancing (Metric/Model)**
- **Strategic Risk Analysis (Redeveloped RPM)**
- **Test Policy Propositions (Scenarios)**

Advisory Committees

The Council's advisory committees provide forums for discussion and important information used in developing the power plans. Members include a wide range of stakeholders from utilities, consumer groups, environmental groups, tribes, government agencies, and energy organizations. They are an opportunity for regional interests to work with Council staff and discuss aspects of the plan as it is developed. All advisory committee meetings are open to the public.

Go to the Council's energy site and use the left navigation pane to explore each committee's webpage:
<http://www.nwcouncil.org/energy/>

Resource Strategies Advisory Committee

Reviews the methods, key assumptions, and other major analytical inputs used in developing the resource plan

Conservation Resources Advisory Committee

Reviews policies and programs to assess how much energy efficiency is available and cost-effective

Generating Resources Advisory Committee

Evaluates the cost, characteristics, and environmental impacts of generating resources and technologies

Demand Forecast Advisory Committee

Reviews the methods, demand forecasting tools, input assumptions and forecast results, used in developing the Council's demand forecasts

Natural Gas Advisory Committee

Reviews the Council's fuel price forecasting assumptions and models for natural gas, oil, and coal

System Analysis Advisory Committee

Reviews the Council's computer models and provides advice on their development

Resource Adequacy Advisory Committee

Defines and assesses power supply adequacy and related issues





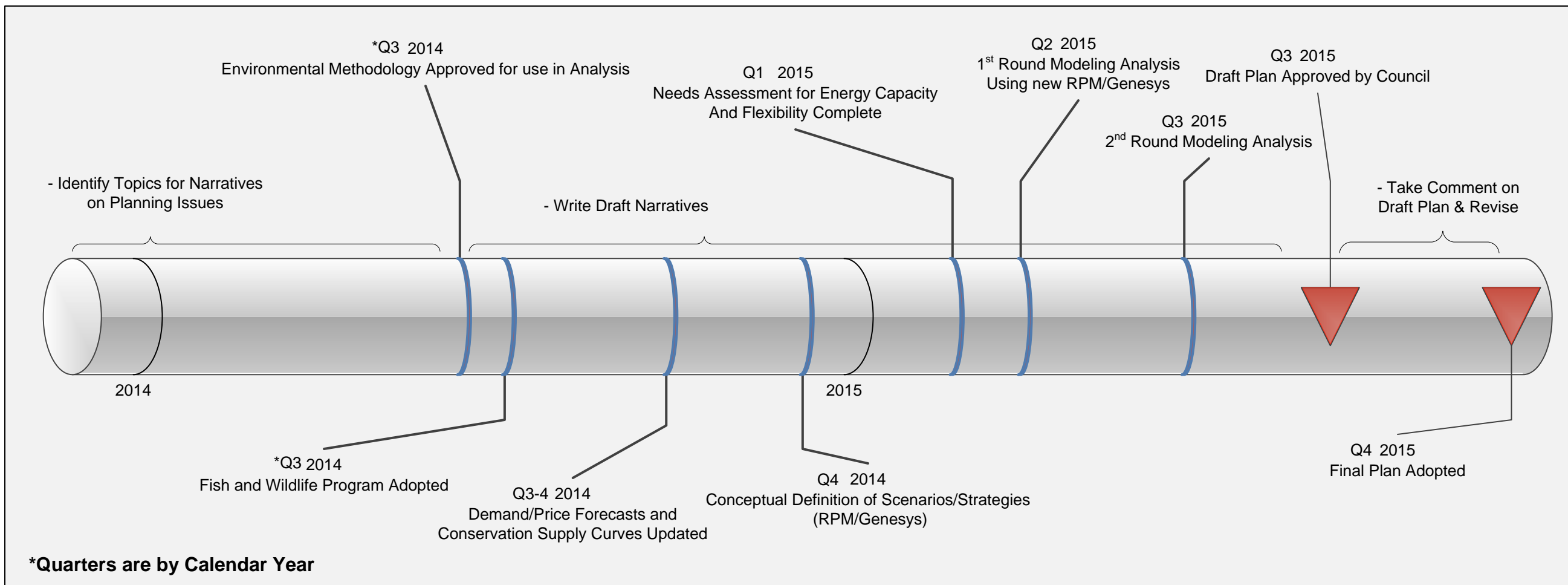
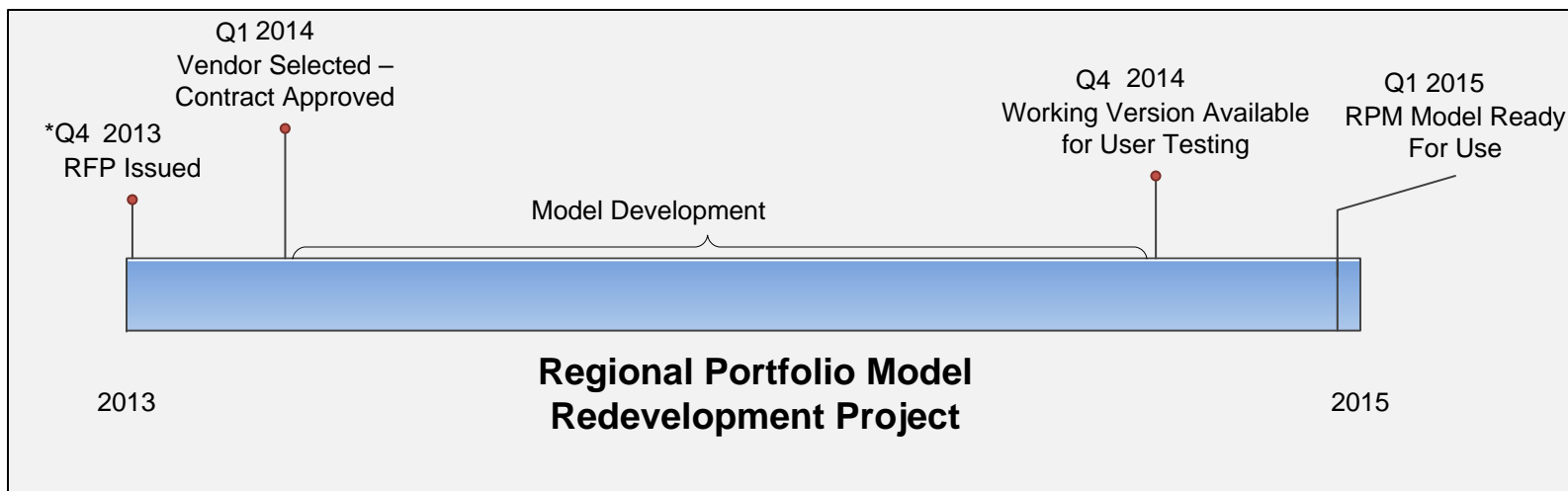
Seventh Plan Timeline

All dates are **DRAFT**

High level overview of key deliverables

Engagement Throughout Plan Process:

- Power Committee and Council Meetings
- Advisory committee meetings
- Symposiums
- Other Discussions with Regional Interests
- Council Website as Communication Vehicle



*Quarters are by Calendar Year