



Northwest Power and Conservation Council Meeting Notes January 14, 2020 Portland, Oregon

Concerns over possible inclement weather prompted the Council to compress its agenda into a one-day meeting, but Members worked diligently to tackle a stack of business, including approval of Part II of the Fish and Wildlife Program Addendum, hearing from Northwest Requirements Utilities CEO John Francisco, and electing new officers for 2020.

Council Members Richard Devlin, Ted Ferrioli, Jeffery Allen, Bo Downen, Guy Norman and Patrick Oshie were in attendance. Chair Jennifer Anders joined by phone. Member Jim Yost was absent. The next Council Meeting will be held February 11 and 12 in Portland.

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The Agenda

Council elects new officers for 2020

Council Vice-Chair **Richard Devlin** of Oregon was unanimously elected the Council's new chair. He takes over from former Chair **Jennifer Anders** of Montana. Member **Bo Downen** of Montana was unanimously elected vice-chair.

Member Devlin was appointed to the Council in 2018 by Oregon Governor Kate Brown. He served 31 years as an elected official, most recently in the Oregon Senate. Member Downen was appointed to the Council by Montana Governor Steve Bullock in 2019. Prior, Downen was the director of environmental and regional affairs at the Public Power Council.

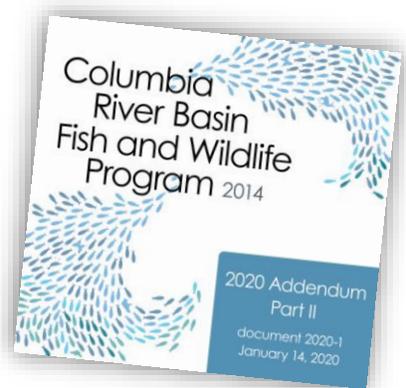
Member **Pat Oshie** of Washington was appointed chair of the Power Committee, which is immersed in crafting the 2020 Power Plan. Other committee assignments will remain the same.

Fish and Wildlife Program Addendum Part II gets Council nod with Part I still under review

The Council gave unanimous approval on a roll call vote to approve Part II of the proposed Addendum to the Council's 2014 Fish and Wildlife Program, which is required by Congress to be updated every five years. It provides guidance to the Bonneville Power Administration, the region's fish and wildlife managers, and others who implement the Council's program.

The Council's program is the largest regional effort to recover and protect fish in the nation. It helps direct more than \$250 million each year to over 350 projects throughout the Columbia River Basin to mitigate the impacts of the hydropower dams on the Columbia River and its tributaries. Notable items in Part II include:

- Establishing a science-policy forum on climate change to understand how it is addressed by projects, and to inform regional power and fish and wildlife decisions.
- Implementing a broad suite of actions, including salmon reintroduction, to mitigate for the complete loss of salmon, steelhead, resident fish and wildlife in the Lake Roosevelt and Spokane River areas resulting from the construction and operation of Grand Coulee and Chief Joseph dams.
- Restoring and sustaining ocean research funding at the level recommended by the Council and supported by the Independent Scientific Review Panel.
- Implementing operational refinements to Libby and Hungry Horse dams as recommended by the Montana Department of Fish, Wildlife and Parks, and the Kootenai Tribe of Idaho.
- Increasing and sustaining the effort to assess and remove invasive Northern Pike from the Lake Roosevelt area and other parts of the basin, and prevent their spread.
- Requiring BPA to report to the Council whenever a significant change occurs in a project, either through a budget change or a change in the scope of work.



Council approved a requested delay to Part I of the Addendum last month after receiving extensive comments to allow time work with fish and wildlife managers, tribes and other stakeholders to determine the most appropriate goals, objectives and program indicators. Part I of the Addendum defines goals and objectives for the program and indicators that can measure program progress.

Council Member Norman, who chairs the Fish and Wildlife Committee, reported that workshops were held earlier in January to discuss goals and objectives, and to gather input. Several Council members attended the meetings and will consider the comments received, make revisions and share a new draft with managers. Staff has scheduled five more dates to work with managers on strategies and indicators. These workshops start February 10th and go through April 13th.

Northwest Requirements Utilities CEO applauds Council role in regional planning

Northwest Requirements Utilities (NRU) CEO **John Francisco** said that in an industry facing great challenges, the regional perspective the Council brings sets it apart. Among those challenges, Francisco listed disparate carbon policies, the National Environmental Policy Act, the Columbia River EIS and looming resource adequacy concerns. The *Eighth Power Plan- 2021 Power Plan* will be a valuable tool to evaluate policies. “It’s one thing to formulate a policy that works for your interest,” he said, “but it’s another to have it work with the region and with policies already in place.”

NRU is a nonprofit trade organization formed in 2002 to represent the interests of full requirements utilities. From a four-state perspective, it’s not the I-5 corridor that defines public power, it’s the smaller utilities. NRU has 53 utility members, of which 39 are below 50 aMW. They represent 27% of BPA’s Tier 1 load and 39% of BPA’s preference customers by count. They represent 27% of BPA’s Tier 1 load and 39% of BPA’s preference customers by count.



Member Downen asked about NRU’s concerns as the Council works on the *Power Plan*. Primary is loss of load probability (LOLP) and carbon, Francisco replied. Given the upcoming coal plant retirements, what will be the impact? I’d like the Council to say what the science is on a per-hour basis. Provide the best estimate of LOLP and state what it means to power customers from an economic perspective.

Member Allen asked what else should the Council be looking at? Francisco replied that coming from a resource adequacy perspective, we should be very careful at how we peel resources off and expressed concern over reliability across the region in the face of cold temperatures.

Member Devlin asked –how does BPA remain competitive and not just cut its costs so low that its liabilities continue to grow? Francisco said when he worked at Inland Power, it wasn't about lowest cost, it was about being affordable. There's a balance point between long-term durability, versus what you defer through debt. There's a misnomer that the lowest cost is best – affordability is the focus for NRU members, he continued, because the lowest cost might not be the right solution.

With the newer systems, the attributes that every generation resource brings need to be valued right. BPA has attributes beneficial to wind, solar and battery technologies, Francisco said. I'm hoping you'll see a region that values the attributes of hydro with some of its other policy desires.

Power Committee Briefs

- Power Committee Chair Devlin advised interested parties to clear their calendars for the next several months as *2021 Power Plan* preparation gets more intense. Plus, the Council's agenda will have a lot more Power Plan items going forward.
- The Committee heard a report on upstream methane emissions. Recent studies have shown that the natural gas supply system might be leaking more methane than previously thought, Member Devlin said. Staff is working to incorporate estimated methane leaks to better understand the effects of each power plant type, and to compare them in a consistent way.
- The committee reviewed enhancements to the Renewable Portfolio Model methodologies in preparation for the Power Plan. Some of the updates include generation changes due to climate change and accounting for the costs associated with GHG emissions.
- Power Plan scenarios were reviewed in Committee. These include what the future will look like should coal plants close early, the impact on resource adequacy and the impact on BPA and if they need to acquire new resources. Work has commenced but it has not been completed.