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March 5, 2019

## **MEMORANDUM**

**TO: Council Members**

**FROM: Ben Kujala**

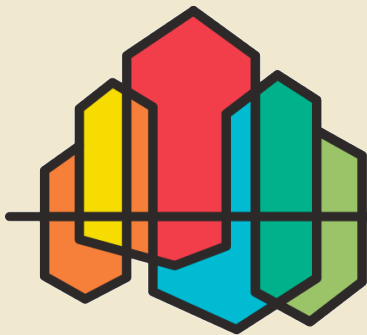
**SUBJECT: Draft 2021 Power Plan High Level Approach and Organization**

### **BACKGROUND:**

Presenter: Ben Kujala

Summary: Staff has prepared a draft table of contents to propose a structure for organizing the 2021 Power Plan. The organization of the plan will help guide staff in building milestones and deadlines for drafting the 2021 power plan. This is a chance to get feedback from the Power Committee on the content, organization, and approach to this power plan. That feedback will be incorporated into a project plan that will be brought back to the Council at the April meeting.

# Draft 2021 Power Plan High Level Approach and Organization



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THE 2021  
NORTHWEST  
POWER PLAN

FOR A SECURE & AFFORDABLE  
ENERGY FUTURE

A misty mountain landscape with a lake and a white geometric frame overlay. The frame consists of several white lines forming a large, irregular shape that frames the central text and the lake. The background shows a valley with a lake, surrounded by mountains and a thick layer of mist or fog. The sky is overcast and grey.

# What happened to the 8<sup>th</sup> Plan?



For a secure & affordable  
energy future

# Elements of a Power Plan – Demand and Reliability

- Demand forecast
  - 4(e)(3)(D). a demand forecast of at least twenty years (developed in consultation with the Administrator, the customers, the States, including State agencies with ratemaking authority over electric utilities, and the public, in such manner as the Council deems appropriate) [...]
- Forecast of Regional Reserve and Reliability Requirements
  - 4(e)(3)(D). [...] which forecast (i) shall include regional reliability and reserve requirements
- Analysis of cost-effective methods for providing reserves
  - 4(e)(3)(E). an analysis of reserve and reliability requirements and cost-effective methods of providing reserves designed to insure adequate electric power at the lowest probable cost;



# Elements of a Power Plan - BPA

- Forecast of power resources required to meet BPA's obligations
  - 4(e)(3)(D). [...] a forecast of power resources estimated by the Council to be required to meet the Administrator's obligations and the portion of such obligations the Council determines can be met by resources in each of the priority categories referred to in paragraph (1) of this subsection
- Recommendation for amount of power BPA should acquire
  - 4(e)(3)(D). [...] shall include the approximate amounts of power the Council recommends should be acquired by the Administrator on a long-term basis and may include, to the extent practicable, an estimate of the types of resources from which such power should be acquired;



# Elements of a Power Plan – Resource Development

- Energy conservation program
  - 4(e)(3)(A). an energy conservation program to be implemented under this chapter, including, but not limited to, model conservation standards;
- Resource Development Plan including
  - 4(e)(2). The plan shall set forth a general scheme for implementing conservation measures and developing resources
- Recommendations for research and development
  - 4(e)(3)(B). recommendation for research and development;



# Elements of a Power Plan – Environmental costs and benefits

- Methodology for determining quantifiable environmental costs and benefits
  - 4(e)(3)(C). a methodology for determining quantifiable environmental costs and benefits under section 839a(4) of this title;
- Fish and wildlife program
  - 4(e)(3)(F). the program adopted pursuant to subsection (h); of this section







# Proposed Table of Contents

# The 2021 Power Plan

## DRAFT TABLE OF CONTENTS:

### **Section 1: Executive Summary and Introduction**

- Executive summary
- State of the system
- Power Act requirements and the Power Plan
- Slimmed down and high-level action plan

### **Section 2: Demand Forecast**

- Regional demand forecast
- Bonneville's demand forecast

### **Section 3: Forecast of Regional Reserve and Reliability Requirements**

- Operating and planning reserves
- System needs assessment

### **Section 4: Energy Conservation Program**

- Regional Conservation Targets
- Model Conservation Standards
- Surcharge Methodology

### **Section 5: Resource Development Plan**

- Resource strategy (generation and conservation)
- Analysis of Alternative Resource Strategies
- Input and Analysis:

- Existing resources and retirements
- Economic and Financial Assumptions
- Electricity and Fuel Price Forecasts
- Transportation forecast
- End-use natural gas forecast
- Conservation resources (supply curves)
- New generating resources potential
- New demand response resources potential

**Section 6: Forecasts of Power Resources Required to meet BPA's Obligations**

- Council's forecast of BPA's load resource balance
- BPA's White Book

**Section 7: Recommendation for Amount of Power BPA Should Acquire**

- Conservation
- Renewable resources
- Other generating resources
- Demand response
- Market power

**Section 8: Analysis of Cost-Effective Methods for Providing Reserves**

- Define cost-effective methods for providing reserves
- Result of study of reserves and adequacy requirement

**Section 9: Recommendations for Research and Development**

**Section 10: Methodology for Determining Quantifiable Environmental Costs and Benefits for Cost Effectiveness**

- Environmental Methodology and Due Consideration for Environmental Quality and Fish and Wildlife
- Environmental Effects of Electric Power Production

**Section 11: Fish and Wildlife Program**

DRAFT