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July 9, 2019

MEMORANDUM

TO: Power Committee Members

FROM: Ben Kujala

SUBJECT: Establishing global financial and economic assumptions for the 2021 Power Plan

BACKGROUND:

Presenter: Ben Kujala

Summary: In preparation for the 2021 Power Plan, staff will be providing the Power Committee a series of presentations on different aspects critical to developing the Plan.

This presentation will focus on how we document and track the global financial and economic assumptions as we develop the Power Plan.

Establish Global, Financial, and Economic Assumptions



THE 2021
NORTHWEST
POWER PLAN
FOR A SECURE & AFFORDABLE
ENERGY FUTURE

Establish
Global,
Financial
and
Economic
Assumptions

Develop
Generating
Resource
Reference Plants

Develop Energy
Efficiency
Supply Curves

Develop Demand
Response Supply
Curves

Forecast
Electricity
Prices

Analyze
Resource
Strategies

Forecast
Load with
Price
Effects



THE 2021
NORTHWEST
POWER PLAN

How we establish Global, Financial, and Economic Assumptions

1. Questions about coordinating between processes are brought to the standing weekly staff meeting for discussion
2. If staff agrees parameters need to be coordinated between processes, we document that in a central location
3. Staff references these baseline conditions when we perform analyses
4. For scenarios, these assumptions are again examined to ensure consistency of analysis or changed as appropriate



Examples of Global, Financial, and Economic Assumptions

- Discount Rate
- Inflation Rate
- Forecast Period
- T&D Deferral
- Real \$ Base Year

