

**Richard Devlin**  
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Oregon

**Chuck Sams**  
Oregon

**Guy Norman**  
Washington

**Patrick Oshie**  
Washington



## Northwest Power and Conservation Council

**Bo Downen**  
Vice Chair  
Montana

**Doug Grob**  
Montana

**Jim Yost**  
Idaho

**Jeffery C. Allen**  
Idaho

April 27, 2021

### MEMORANDUM

**TO: Power Committee**

**FROM: Andrea Goodwin, Senior Counsel**

**SUBJECT: Discussion of draft Section 10, Methodology for Determining Environmental Costs and Benefits, for the draft 2021 Power Plan**

### BACKGROUND:

Presenter: Andrea Goodwin

Summary: At the May Power Committee meeting, staff will walk through its current draft of Section 10 for the draft 2021 Power Plan, which describes the methodology the Council is using to determine quantifiable environmental costs and benefits of new generating and conservation resources. The methodology for the draft 2021 Power Plan remains largely consistent with previous power plans and includes the following four components: cost of compliance with existing regulations, environmental effects beyond regulatory controls, cost of compliance with proposed regulations, and quantifiable environmental benefits. Staff will transmit draft Section 10 to the Committee members under separate cover no later than Friday, April 30<sup>th</sup>.

For this discussion it is important to note that staff is continuing to refine its technical analysis for the power plan, thus, staff may continue to revise this draft section as information develops and additional power plan supporting materials and sections are drafted. It is also anticipated this section will eventually be revised to also describe how the Council, in developing its regional resource strategy, gave due consideration, to among other factors, environmental quality and the protection, mitigation, and enhancement of fish and wildlife.

Relevance Section 4(e)(3)(C) of the Northwest Power Act requires that the Council develop and include as an element of the power plan a “methodology for determining quantifiable environmental costs and benefits” of new generating and conservation resources.

Workplan: A.4.2 Develop environmental methodology, existing system, transmission availability, renewable portfolio standards, emissions and other datasets for the 2021 Plan

Background: When developing the new resource strategy for the power plan, the Northwest Power Act requires that the Council compare the incremental system costs of different generating and conservation resources and give priority to those resources which the Council determines to be cost effective. In estimating the system cost of a particular resource, the Council must include quantifiable environmental costs and benefits directly attributable to that resource over its effective life. And, Section 4(e)(3)(C) directs the Council to develop, and include as an element of the power plan, a methodology to determine these quantifiable environmental costs and benefits as part of the overall system cost of a new resource or measure.

At the September 2019 and October 2019 Council meetings, staff presented its proposed methodology for quantifying environmental costs and benefits of new resources for the 2021 Power Plan. Members provided feedback and general agreement with staff’s proposal, permitting staff to proceed with applying the proposed methodology in its resource cost analysis for the draft 2021 Power Plan. Staff also reviewed the proposed methodology with the Generating Resources Advisory Committee and Conservation Resources Advisory Committee in September 2019 and October 2019, respectively.

More Info: See the September and October 2019 Council Meeting packet materials for background and context -

[https://www.nwcouncil.org/sites/default/files/2019\\_0917\\_6.pdf](https://www.nwcouncil.org/sites/default/files/2019_0917_6.pdf)

[https://www.nwcouncil.org/sites/default/files/2019\\_1015\\_4.pdf](https://www.nwcouncil.org/sites/default/files/2019_1015_4.pdf)

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April 27, 2021

### MEMORANDUM

**TO: Power Committee**

**FROM: Ben Kujala**

**SUBJECT: Discussion of draft Section 2, Demand Forecast**

#### **BACKGROUND:**

Presenter: Ben Kujala, Steve Simmons

Summary: At the May Power Committee meeting staff will walk through its current draft of the demand forecast chapter for the 2021 Power Plan. The approach to the demand forecast has changed for the 2021 plan including the estimated impacts of climate change. This section will describe at a high-level how those changes were implemented into the forecast and describe the general method and components of the forecast. A draft of this section will be provided to the committee members by the end of the day on Friday, April 30<sup>th</sup>.

Workplan: A.1.2 Draft written material for the Power Plan

Background:

[Forecast load](#) with price effects and forecast load with frozen efficiency (06/2019)

[Forecast](#) of Draft Loads w/Frozen Efficiency for 2021 Power Plan/Related GCMs, (09/2019)

Further Detail on [Load Forecast](#) (10/2019)

[Updates](#) to load and other forecasts based on GCM Selection (02/2020)

Load Forecast [Updates](#) (08/2020)