



*Commissioners*

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October 31, 2014

via e-mail: [comments@nwcouncil.org](mailto:comments@nwcouncil.org)

Chair Bill Bradbury  
Northwest Power and Conservation Council  
851 SW Sixth Avenue, Suite 1100  
Portland, OR 97204

Re: High Level Indicators

Dear Chairman Bradbury and Members of the Council,

Clark Public Utilities (Clark) appreciates the opportunity to comment on the Northwest Power and Conservation Council's (Council) proposed "High Level Indicators" (HLIs) as presented in the letter to the region issued on September 10, 2014. Clark understands these HLIs are metrics designed to track progress toward meeting the goals of the Council's Power Plan. While we generally agree that well defined metrics could prove useful for some comparisons, we believe that due to the unique design and statutory purpose of the Council such an endeavor would likely not accurately measure any successes or failures of the Council's Power Plan. Furthermore the HLIs have no accountability connection to the Council's statutory responsibilities. The Council reports yearly to Congress on the state of the Northwest power system, which serves to monitor the Council's progress. We believe the HLIs proposed are not meaningful to the Northwest nor necessary to the Northwest and its Power Plan.

The Council has not held a sufficient regional process to ensure adequate time to make determinations as to the validity and effectiveness of the HLIs. However, if the Council proceeds with the HLIs, Clark believes that any results should be heavily scrutinized and used in a limited fashion as the results could improperly skew the Council's statutorily defined purpose and possibly certain crucial outcomes of electric power development in the Pacific Northwest.

Clark also generally supports the comments to the Council on this issue from the Public Power Council (PPC) and the Public Generating Pool (PGP).

General Comments

The Council suggests that the Northwest Electric Power Planning and Conservation Act (Act) was enacted for the following purposes:

1. To *encourage* conservation and efficiency in the use of electric power.
2. To *encourage* the development of renewable resources within the Pacific Northwest.

3. To assure the Pacific Northwest of an adequate, efficient, economical and reliable power supply.  
(*emphasis added*)

Clark is concerned that the majority of the HLIs proposed by the Council are overly focused on the first two objectives and may understate the importance of the Council's purpose in assuring adequate, efficient, economical and reliable power supply in the Pacific Northwest.

In addition, Clark is concerned that any analysis that the Council performs using HLIs based on aggregated regional data might cause us to lose sight of the uniqueness between and among utilities regarding their governing bodies and decision making processes as well as demographics, geography, economic profiles and resource opportunities. We would not want to see these HLIs force the region into "one size fits all" planning and accountability.

Lastly, a comparison of Pacific Northwest relative to the rest of the nation is inappropriate. Each region in the United States has built its power system using the economy, demographics, opportunities and natural resources present in its region. These are often vastly different than the Northwest. By comparing various energy HLIs and metrics in the Pacific Northwest to the rest of the nation the Council's plan may be misdirected by not accounting for these differences. Ultimately it may be very complicated and irrelevant for the Council to apply emphasis to these HLIs given the Council's unique structure and statutorily defined purposes.

#### Specific Recommendations

If the Council insists on implementing some form of the HLIs identified, then Clark makes the following more specific suggestions:

- If the Council plans to use the HLIs as measures of accomplishment, its review and comparison should consider accomplishments from 1980 to the present. (Taking into account the period from the beginning of the regional act to the present). Doing so will ensure that the region accounts for fundamental changes which have already taken place for the region's power supply. (A good example is the significant loss of hydro value in the Federal Columbia River Hydro System during that timeframe due to the Council's Fish and Wildlife programs).
- Adequacy, reliability and economic power supply is a core purpose under the Act and therefore the Council should ensure that these objectives are not overlooked.
- The Act intends for hydroelectric generation to be considered a renewable resource and therefore the Council should avoid metrics that do not include hydroelectric generation in the quantification of renewable resources in the region.

Clark does not believe there has been adequate discussion on the given HLIs. We also believe the Council has much more urgent processes and high priorities at this time. Therefore, Clark strongly urges the Council hold off on implementing any kind of HLI metric. Alternatively, if the Council insists on developing and employing HLIs there should be additional public processes

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including a meeting with the region to discuss these HLIs in an open forum before the Council makes any determination regarding their use.

Thank you for the opportunity to comment and we look forward to working with the Council further on this issue.

Regards,



Patrick R. McGary  
Director of Energy Resources