



Public Power Council

825 NE Multnomah, Suite 1225
Portland, OR 97232
503.595.9770
Fax 503.239.5959

October 31, 2014

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

RE: Comments on the NWPCC's Proposed High Level Indicators of Progress on the Pacific Northwest Electric Power Planning and Conservation Act's Power Plan Goals

Dear Chair Bradbury,

Thank you for the opportunity to comment on the Northwest Power and Conservation Council's (Council or NWPCC) Proposed High Level Indicators (HLI) of Progress on the Pacific Northwest Electric Power Planning and Conservation Act's Power Plan Goals.

The Public Power Council (PPC) and its members have engaged with the NWPCC in developing the High Level Indicators of the Fish and Wildlife Program. As you have regularly heard from PPC and several of the more than 100 utilities it represents, we believe that ensuring an efficient and successful Fish and Wildlife Program is extremely important. Creating a useful and effective power plan is similarly important. However, as proposed, the HLIs for the power plan do not accurately or appropriately measure the value of the NWPCC or its power plan, nor do they appear to lend greater clarity or accountability for the NWPCC.

HLIs Should Not Be a Priority

Although it is beneficial for the region to understand the state of the power system and for the NWPCC to communicate its messages to the region, the manner in which the HLIs propose to tell the story is redundant and flawed. The Council already uses its annual reports to the governors as well as its annual report to the Congressional Delegation to provide the region with the state of the power system. Further, it has indicated it will use issue papers to both offer to and seek input from the region on

development of the power plan. These tools are sufficient. With the amount of work the NWPCC already has in developing the plan, HLIs should not be a priority. If the NWPCC chooses to move ahead with the idea of HLIs, it should reassess the process around which they are developed. Outside of a brief motion by the full Council to submit these HLIs to the region for comment, the NWPCC's meeting agendas show no meaningful instances where these were discussed by the full Council. Only twice did they briefly appear before the Power Committee. With limited discussion by the NWPCC and the region more broadly, it is uncertain why or if the NWPCC and the region need this undertaking. While the HLIs for the Fish and Wildlife Program took approximately 15 months to foster discussion and create meaningful metrics for the Program, the process around the power HLIs has been minimal. If the NWPCC desires to move ahead with development of power HLIs, a more deliberate and contemplative process could be pursued after completion of the plan.

The Draft HLIs are Inappropriate and Do Not Meet the NWPCC's Intended Mark

The NWPCC's stated purposes of the HLIs are to track the region's progress on the power plan. It has also been stated by Council members that the purpose of the HLIs are for holding the NWPCC accountable for its own actions, and for furthering an interest in good government. As initially developed, the draft HLIs do not meet these goals.

While it is the NWPCC's responsibility under the Northwest Power Act to create a power plan, it is not the responsibility of the Council to implement any of the resource development actions noted by the plan. The proposed HLI metrics show no clear connection to the NWPCC and its actual statutory responsibilities.

Unlike the Fish and Wildlife Program where the NWPCC has a responsibility for review of the Program's funding recommendations, resource development is not clearly a result of the NWPCC's power plans. Therefore it is difficult to attribute the "successes", "failures", or even "progress" of resource development to the plan and to the NWPCC itself.

Specific Proposed HLIs Inappropriate

Annual utility/system benefits charge administrators program savings v. plan targets are an inadequate measure. The power plan is viewed as both a five-year and a twenty-year plan, but never an annual plan. Measuring anything within this timeframe, especially

energy efficiency which is often stated as a “lumpy” resource in terms of acquisition, is inappropriate.

Regional generating resource availability is an inappropriate measure. Reliability is based on a number of complex issues which are not influenced by the NWPCC’s plan.

Average PNW residential electric bills vs. U.S. average is an irrelevant comparison. The hydropower system in the Northwest offers benefits to the region’s economy and plays a large role in the cost of electricity to regional ratepayers. Comparing the retail residential cost in the Northwest to that of a national average is not a useful metric within the Northwest.

Annual trends in renewable resource costs are unrelated to the NWPCC’s plan. Renewable resource costs are driven by factors outside the realm of the Council’s plan; measuring trends around these cost and attempting to relate them to the NWPCC is not useful.

Few, if any of the proposed indicators clearly track back to the NWPCC’s plan, measure progress towards the plan’s goals, or provide an indication of good government as related the Council itself and its operations, budgets, and staffing. While the HLI’s are well-intended, the regional power system story is already being noted via many processes and documents produced by the NWPCC. Adding high level indicators, especially when the process to develop them was limited, is unnecessary at this time. We look forward to working with the NWPCC and other regional contributors on other more critical pieces of the forthcoming power plan.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bo Downen', with a long horizontal line extending to the right.

Bo Downen
Policy Analyst