



2009 Annual Meeting

The 2009 Annual Membership Meeting, "Exploring the Electrosphere", was November 6, 2009 from 9 am to 1 pm at the Portland Airport Sheraton Hotel. The list of attendees is attached.

The next PNUCC Board of Directors' meeting is **January 8, 2010**.

Corporate Business



Chairman's Welcome – With a huge welcome, Jim Sanders opened the meeting with his thanks to the PNUCC members, Board of Directors and staff. He reflected on the work of PNUCC over the last year acknowledging the reinvigorated System Planning Committee and the increased efforts of the PNUCC Communications Initiative. Jim encouraged PNUCC members to take advantage of the *Plan Today. Power Tomorrow* energy awareness campaign and continue to educate their customers and communities.

Financial Report – Treasurer, Kelly Norwood, Avista reviewed the 2009 financial picture and described the proposed budget for 2010. He noted that PNUCC commissioned a detailed audit of PNUCC's 2008 financial affairs rather than the less detailed financial review that is usually done. And as expected the PNUCC financial house was found to be in order.

For 2009 Kelly reported that he expects actual expenses to be about \$25,000 below the \$734,500 budget. This will lead to a Reserve Account balance of about \$380,000 which is more than 50 percent of the 2010 budget.

The proposed budget for 2010 is \$708,300. This is a decrease of 4 percent from last year. This budget will continue to support PNUCC's work using the existing staff of three and consultants to fulfill the goals and objectives of the members. The consultant monies will assist in implementing the PNUCC Communication Initiative, support the technical efforts of the System Planning Committee, continue to provide PNUCC's members with comprehensive reports of the Northwest Power and Conservation Council's monthly meetings and support the BPA-Customer Collaborative.



Along with the proposed budget, the Budget Committee recommended holding the PNUCC membership dues to the 2009 level of \$623,000. The different between dues collected and the budget would be covered with funds from the Reserve Account.

With Kelly's report completed, the Board of Directors unanimously approved the budget and membership assessments for 2010.

Election of 2010-2011 Board Members – Each member group presented a slate of



Board members and alternates for that group to elect. For the investor-owned utilities Jim Lobdell and Terri Peschka of PGE; Pat Egan and Phil Obenchain of Pacific Power; David Gates and John Hines from NorthWestern Energy; and Kelly Norwood and Larry La Bolle of Avista were nominated and unanimously elected. For the publicly-owned utilities Jim Sanders, Benton PUD; Steve Klein, Snohomish PUD; John Prescott, PNGC Power; Tim Culbertson, Grant PUD; and Pat Ashby, Tillamook PUD we unanimously elected. Their alternates will be Ken Sugden, Flathead Electric Co-op; Bill Gaines, Tacoma Public Utilities; Steve Eldrige, Umatilla Electric Co-op; Steve Kern, Seattle City Light; and Ed Brost, Franklin PUD. Jack Speer and Bob Huber, Alcoa will continue as the Direct Service Industry Board representatives.

Executive Director's Remarks – While the mission for the day was to explore strange new worlds and boldly go where no one has gone before, Dick started by reflecting on the past year. He said 2009 was an intense year and that PNUCC has picked up its pace with new initiatives added to the list including the revitalization of the System Planning Committee and the evolution of the PNUCC communication effort. Dick gave a big thank you to the members for contributing their time and talent for the good of the industry. He underscored the amazing array of skills and talents within the PNUCC membership that makes PNUCC so powerful.



Dick reported that in 2009 we explored a world where significant amounts of growing energy needs will be met with energy efficiency, where gobs of new wind generation will be managed to meet the minute-by-minute demand, where the role of natural gas-fired generation is evolving, where utilities are primarily focused on investing capital to meet their capacity needs, where planners are reaffirming the definition of adequate and reliable, where we must communicate with people who are not from our world, and where a planet to our south has mandated significant expansion of its renewables fleet.

Looking ahead to 2010, Dick sees the journey continuing. He believes that we will be identifying emerging issues that will affect our industry, and our technical experts will analyze and evaluate capacity, conservation and carbon policies. The Communication Initiative will continue to provide members materials, and PNUCC will continue to be a place to gather and share, discuss and debate ideas about the electric power industry.

Dick thanked the Board again for their commitment to the organization and their guidance on a wide range of issues. He presented them with their very own “PNUCC Electrosphere” symbolizing their success together.

Other awards were presented acknowledging extraordinary accomplishments in 2009. These awards were presented to Terry Morlan, Power Council acknowledging the intense challenge he's had in developing the 6th Power Plan; Steve Kern, Seattle City Light for taking the lead with the System Planning Committee; Jim Yost, Idaho Council member for making the draft 6th Power Plan better; Steve Eldrige, Umatilla Electric Co-op. for speaking up and speaking out and of course our outgoing chairman, Jim Sanders for his past two years of guidance and leadership.

Exploring the Power Industry Frontier

Keynote speaker, Mr. Randy Udall intrigued the group with his thoughts on the electric utility industry and the importance of electric power to society. He grounded the group with a historic perspective of where society has been technologically and then challenged everyone to think about where technology is headed.

According to Udall power sales in the United States are 13 times greater today than there were in 1950. One car engine today is six times more powerful, in terms of horsepower, than anything that existed 200 years ago. Udall said “our biggest single national weakness is scale and appetite of energy.”



The world is facing a dilemma, Udall believes. Population growth and people’s ever increasing energy consumption is counter to society’s desire to have less of an environmental footprint. And he wasn’t shy about his strong convictions about the need to reduce carbon emissions in this world, while he recognizes the challenges of doing so.

Fortunately, he also believes that the same ingenuity that brought us today’s technologies can get us to the solutions we need to reduce our carbon emissions. In addressing the Northwest electric power community he recognized the challenges utilities face to implement society’s desires. The power industry is working to become more efficient, build a smarter grid, provide better transmission services, keep the lights on, and now the new ask is to do all that with lower carbon emissions. Udall commended utilities for doing their jobs so well. He believes that electricity is the oxygen of industry and without it the economy would fail.

The electrical network (transmission and distribution) could be considered the first “internet”, according to Udall. It is a network of hardware that can not be transformed overnight. He suggested that getting to a carbon free electric power sector in the United States in ten years is a delusional idea. It will take years and a great deal of money to change the system we have today. The goal is a great one, but it is not achievable over night.

Udall touched on the national and global use of fossil fuels to provide a perspective on the Northwest power industry’s dependence on fossil fuels. He sees that fossil fuel burning has increased four-fold since 1950 and half the oil/coal/gas burned on the planet has been burned since 1980. And he recognizes that the Northwest power industry has a relatively low carbon footprint.



Launching Tomorrow's Business Model

PNUCC members and guests rolled up their sleeves to discuss, debate and present their ideas for a future business model. While this activity generated many good ideas and thought provoking concepts, people's creativity brought a great deal of laughter as well!

Pumped storage projects were offered as solutions for shaping unusable wind generation. Others went as far as designing innovative technologies we haven't heard of yet. One group designed a business model centered on the concept of an "intermittent lifestyle" where we work and play when the lights are on, verse having access to electricity around the clock. Members' ingenuity truly marked the success of the day.



Innovation: It's In the Approach



Energy Trust of Oregon's, Director of Energy Programs, Peter West joined us at lunch to describe how his organization is benefiting Oregon's electricity consumers and share his philosophy of why they are successful. Since the inception of the Energy Trust of Oregon they have saved Oregon consumers more than \$440 million. West is proud of what they have accomplished. In 2008 they served 200,000 households 5,900 commercial sites, and 730 industrial sites saving these customers \$144 million.

West believes that to be effective in meeting energy efficiency goals, utilities need to think like their customers. The region needs to design programs and messages and marketing to meet the customers where they live. Promoters of energy efficiency must speak in the language of their target audience. He advised utilities seeking energy efficiency opportunities to target industry sectors that are most likely to invest in energy efficiency and to view the benefits of a program as something they would want as a benefit to their business.

PNUCC Annual Meeting Attendees November 6, 2009

Dick Adams	PNUCC	Larry La Bolle	Avista
Pat Ashby	Tillamook PUD	Jim Litchfield	Litchfield Consulting
Loren Baker	Energy Consulting Services	Jim Luce	Washington EFSEC
Richelle Beck	D. Rohr & Associates	Jack Mayson	Seattle City Light
Ruth Bennett		Shauna McReynolds	PNUCC
Dan Bickford	Benton PUD	Alan Meyer	Weyerhaeuser NR Co
Linda Boomer	Franklin PUD	Karen Miller	Benton PUD
Scott Brattebo	Public Generating Pool	Ruthann Mogen	
Terry Brewer	Grant County PUD	Terry Morlan	NW Power & Cons. Council
Peter Brooks	Corps of Engineers	Cyrus Noe	Newsdata
Ed Brost	Franklin County PUD	Kevin Nordt	Grant County PUD
Stefan Brown	Portland General Electric	Kelly Norwood	Avista
Sonya Bruce	Resource Writers	Phil Obenchain	Pacific Power
Chris Byrd	Flathead Electric Coop.	Tom O'Connor	OMECA
Ken Canon		Rob Oeflein	Vera Water & Power
Ted Coates	Tacoma Power	Mark Ohrenschall	Newsdata
Scott Corwin	Public Power Council	Toni Olson	Snohomish PUD
Steve Crow	NW Power & Cons. Council	Doug Olson	Tillamook PUD
Tim Culbertson	Grant County PUD	Terri Peschka	Portland General Electric
Anita Decker	Bonneville Power Admin.	Dan Peterson	Pend Oreille PUD
Nancy Dillard	Tillamook PUD	Ken Phillips	Tillamook PUD
Bo Downen	Public Power Council	John Prescott	PNGC Power
Michael Early	ICNU	Chris Robinson	Tacoma Power
Steve Eldridge	Umatilla Electric Co-op.	Dennis Rohr	D. Rohr & Associates
Paul Elias	McMinnville Water & Light	Jerry Rust	Northwest Power Pool
Jay Fintz	Chelan PUD	Jim Sanders	Benton PUD
Ann Fisher	AF Legal & Consulting Svc	Art Sasse	Pacific Power
Dave Fitzsimmons	Bonneville Power Admin.	John Saven	NW Requirements Utilities
Terry Flores	Northwest RiverPartners	Katherine Schacht	Emerald PUD
Claire Fulenwider	NW Energy Eff. Alliance	Scott Simms	Bonneville Power Admin.
Margie Gardner	Bonneville Environ. Foundation	Rob Sirvaitis	The Energy Authority
Doug Grob	Flathead Electric Coop.	Emery Smith	Flathead Electric Coop.
Luanna Grow		Craig Smith	Snohomish PUD
Hannah Hacker	Energy Trust of Oregon	Jack Speer	Speer Energy Consulting
Byron Hanke	Clark Public Utilities	Ken Sugden	Flathead Electric Coop.
Harry Hewitt	Tillamook PUD	Dean Sutherland	Clark Public Utilities
Jim Hubenthal	Lewis County PUD	Dana Toulson	Snohomish PUD
Bob Huber	Alcoa Inc.	Barbara Trout	Tillamook PUD
Karen Hunt	Bonneville Power Admin.	Randy Udall	Guest Speaker
Trisha Jackson	PNUCC	Jason Vaillancourt	Oregon PUD Association
Dan James	PNGC Power	Kathi VanderZanden	PNGC Power
Ed Jenkins	Tillamook PUD	Glenn Vanselow	PNWA
Mark Johnson	Flathead Electric Coop.	Dick Varner	EWEB
Steve Johnson	Washington PUD Assoc.	Mark Walker	NW Power & Cons. Council
Penny Jordan	Emerald PUD	Dick Wallace	NW Power & Cons. Council
Susan Jowaiszas	The Iris Group	Rob Walton	NOAA Fisheries
Tom Karier	NW Power & Cons. Council	Dick Wanderscheid	City of Ashland
Buz Ketchum	Cowlitz County PUD	Dave Warren	Washington PUD Assoc.
Steve Klein	Snohomish PUD	Peter West	Energy Trust of Oregon
Debbie Kuraspediani	NW Public Power Assoc.	Susan Whittington	Resource Writers