

Update

What's Happening With the Sixth Power Plan

October 2009

The dialogue about the Council's draft Sixth Power Plan is moving into its final stages. Public hearings ended on October 14, and the written comment period will close November 6. Council staff is working hard to get a final document ready for approval in December, but I wouldn't be surprised if the process extends into early 2010.

PNUCC has taken a pro-active, multifaceted approach to getting our response in front of the Council. Our members have stepped up and testified at many of the hearings, and I had a chance to make our pitch at the Boise meeting on October 13.

We also submitted an extensive set of written comments to the Council in late September, well ahead of the deadline. We thought getting our ideas in early would help shape discussions of the draft, and that proved true at the Council's meeting in Sun Valley. Staff and Council members said they appreciated our early response, and we are already seeing changes in line with what we recommended. Here are a few examples.

- **Effect of California RPS.** We said the Plan needs to analyze the impact of California's ever-increasing Renewables Portfolio Standard on wind generation and transmission in the Northwest. Council staff has now put together a preliminary work plan to assess these impacts, and Council members seem very interested in pursuing this issue.
- **Conservation Risk Analysis.** We told the Council we agree that energy efficiency is the lowest-cost resource for meeting future demand, but noted that like any other resource, it has risks and uncertainties. We've asked for a more in-depth look at the possible risks to the region of relying so heavily on conservation. Council staff is expert at analyzing risk, and we anticipate follow-through on this item.
- **Carbon Target.** We suggested the Plan assess the costs and implications to the region of achieving a specific reduction of carbon emissions. To date, their analysis has assumed emissions would be reduced in response to a carbon tax, rather than a specific level of emission. Some Council members like the idea, while others have concerns. The jury is still out on whether the Plan will do this.

Folks from outside the utility community have also been making themselves heard. The recurring themes are the Plan needs: more conservation, more emphasis on CO₂ reduction policies, fewer coal plants, and breaching dams.

As we start to see the light at the end of this process, we'll continue our effort to make sure the final Plan reflects our interests. In short, we want the Plan to clearly spell out the challenges of maintaining our reliable and affordable power system in the face of growing demand, while taking into account the effects of new technologies and changing environmental policy.

Thanks to all of you who helped formulate PNUCC's response on the draft Plan, and especially to those who took the time to go to a hearing and share your point of view.

A handwritten signature in black ink that reads "Dick". The letters are cursive and slightly slanted to the right.

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