

**Northwest Power and Conservation Council
Resource Adequacy Advisory Committee-- Steering
August 30, 2019**

Richard Devlin, NWPCC Member, opened the meeting at 10:00. He asked that all questions wait until the end of the presentation.

Fazio thanked participants for joining adding that they will be taking comments for one week.

2024 Resource Adequacy Assessment

Popoff said further analysis about interconnection assumptions and the supply behind those connections is really important. He thinks an Action Item should include a walk through of how those results were computed. He was concerned about releasing a Resource Adequacy study that contains a large signal for building generation followed by a Power Plan narrative that says the opposite. He called this mixed message confusing.

Devlin asked when the 2024 Assessment will be released. Fazio explained the process saying early retirements can cause a big gap. Devlin confirmed that unplanned coal closures were not included before suggesting a caveat that says if coal closures sooner, or if there are unplanned coal closures, the 8% LOLP may increase to as much as 33%. Fazio agreed.

Steve Johnson, WA UTC, asked for a clear message that he could take to other stakeholders. He said he's seen coal plants close without any of the typical lead time seen in the past. Johnson said this new trend may require more study.

Kiren Connolly, BPA, supported the message and Action Items built around results from classic GENESYS. He was troubled by the preliminary suggestion that the region could rely on more imports without unpacking the analysis behind it. He pointed to March 2019 where the region was pulling 2500MW from CA while simultaneously sending 2000MW to Canada because they were in crisis.

Connolly said every region asks to rely on BPA. He said he would be very troubled if the NW said they could rely on everyone else. He called for more unpacking of how the new model works. Fazio clarified that that information was not intended for the report. Connolly replied that we need to be crisp about our messaging and express caution about indicating a directional signal.

Popoff said that Council staff just showed a 33% LOLP and this will be hard to reconcile. Fazio said we could leave that case out of the report if the RAAC advises it. Connolly said BPA is indifferent about keeping the number in or leaving it off.

Devlin suggested not highlighting the number but insisted that there's a responsibility to say the LOLP might change significantly if there are early and/or unplanned retirements.

Heutte moved back to [Slide 9] and asked about the difference between medium and low load. Fazio didn't know and offered to get that number to him. Heutte asked if the percentiles were peak or average load. Fazio said the Low Load means that 15% of loads are lower. Heutte was intrigued that moving from Medium Load to Low Load decreases the LOLP substantially. He called this a significant opportunity for Demand Response.

Heutte addressed imports saying there's a real case of South to North flow from February on this year. He agreed that outflow needs to be looked at further. Heutte then mentioned that Aliso Canyon restrictions have been loosened during periods of extreme stress and noted that California uses gas for direct use in the winter and power in the summer. He asked for more explanation around limiting summer imports to zero.

Connolly asked about the conditions that allowed for the relaxing of restrictions around Aliso Canyon. Heutte offered to send the CPC order saying there will be significant impacts.

Therese Hampton, Public Generating Pool, asked when people should feel confident about the new GENESYS model. Fazio explained the work left to be done and estimated that second-phase testing will take another two to three months. He said testing will be ongoing.

Hampton then addressed the statement "everything out of region is assumed to be under average conditions," asking if that will always be the case. Fazio said no, pointing to a study that removed 8000MW of gas turbines. He agreed that we should look at what would be reliably available when resources are scarce WECC-wide.

Popoff said if the Council believes the region needs additional supplies, we might want to include the early coal retirements as the 33% LOLP is a big alarm bell. Fazio said staff is doing that with the 2021 Power Plan but as it's a much more expansive look we won't know the answer for a couple of years.

Heutte agreed with Popoff's concern but stated that he hasn't seen an IRP that proposes coal coming out in 2024. Heutte then said he didn't think the 33% number should be in the final assessment because it's not a firm possibility.

Devlin said you could state that you get to the 8% LOLP under current conditions but that number could increase if there are early/unplanned retirements. Or, he said, you could write that this is based on announced retirements and their perspective dates. Fazio agreed that a 20-year Power Plan will cover those retirements.

Fazio thanked BPA, particularly Rob Diffely and his crew, for their help and contributions.

There were no further comments. Fazio reminded the RAAC that he will collect comments through the week to present to the Council. He thanked the room and closed the meeting at 11:00.

Attendees

Richard Devlin	Oregon Council Member
Andrea Goodwin	NWPCC
John Fazio	NWPCC
Dan Hua	NWPCC
Chad Madron	NWPCC

Attendees via Webinar

Aaron Bush	PPC
Brett Sims	PGE
Ray Johnson	Tacoma
Rachel Clark	Tacoma
Megan Decker	Oregon
David Howarth	National grid
Elizabeth Osborne	NWPCC
Fred Heutte	NW Energy Coalition
John Ollis	NWPCC
Steven Johnson	WA UTC
Lean Bleakney	NWPCC
Margaret Anderson	Clark PUD
Phillip Popoff	PSE
Michael O'Brien	Renewable NW
Shauna McReynolds	PNUCC
Shelly-Ann Maye	Oregon PUC
Shirley Lindstrom	NWPCC
Therese Hampton	Public Generating Pool
Tom Haymaker	Clark PUD
Tomás Morrissey	PNUCC
Villamor Gamponia	SCL
Wendy Gerlitz	NW Energy Coalition
Rob Diffely	BPA
Kiren Connolly	BPA
Pat Byrne	BPA