Northwest Power and Conservation Council



# Council Meeting
## Helena Montana

## October 8-9, 2013

## Minutes

**Council Chair Bill Bradbury called the meeting to order at 1:32 pm on October 8th and adjourned it at 11:15 am on October 9th. All members were present. Vice-chair Jennifer Anders welcomed the Council to Helena.**

## Reports from Fish and Wildlife, Power and Public Affairs committee chairs:

Phil Rockefeller, chair, fish and wildlife committee; Jim Yost, chair, power committee; and Henry Lorenzen, chair, public affairs committee.

Jim Yost reported the Power Committee had a discussion about the shortcomings of relying on forecasts for planning and of the current context for power planning under the Northwest Power Act. We also talked about the process to update the Regional Portfolio Model for use in the Seventh Power Plan, he noted. The committee decided the Council needs to determine a strategy on environmental costs and benefits before taking on the issue of the health benefits of wood smoke reduction, Yost said. We had a presentation on the Northern Tier Transmission Group filing with FERC on cost allocation for transmission lines and approved the member list for the Resource Strategies Advisory Committee, he stated.

Phil Rockefeller reported that the Fish and Wildlife (F&W) Committee had a presentation on the recommendations for the Geographic Review projects and programmatic issues, which the Council will take up in November. We heard from Montana State Rep. Mike Cuffe about his constituents' concerns about the Columbia River Treaty renegotiations, Rockefeller said. The committee reviewed and approved a F&W project and discussed the F&W program amendment process and the recommendations that have been received, he added.

Henry Lorenzen reported the Public Affairs Committee had not met, but that staff has come up with a new logo that is being circulated for review. The Council *Quarterly* will be printed in a day or two, he said. Staff is also redesigning the Council website homepage and developing a proposal to include more use of social media.

Anders moved that the Council meet in Executive Session to discuss matters related to participation in civil litigation. Tom Karier seconded, and the motion passed on a roll-call vote.

## 1. Council decision:

Mark Fritsch, manager, project implementation.

- **Step 1 review of Yakima Subbasin Summer and Fall Run Chinook and Coho Salmon Hatchery Master Plan.**
  Dave Fast, Senior Research Scientist Yakama Nation

Staffer Mark Fritsch presented two hatchery master plan projects for a Council decision. The first was a Step 1 review of the Yakima Subbasin Summer and Fall Run Chinook and Coho Salmon Hatchery Master Plan, sponsored by the Yakama Nation. This project has been approved by the F&W Committee, Fritsch said.

David Fast of the Yakama Nation gave a presentation on the coho master plan, noting the extinction of coho in the Yakima River in the 1980s and the establishment of the program to re-establish a self-sustaining naturally spawning population of coho in the river. He said the Independent Scientific Review Panel (ISRP) reviewed the master plan in 2012 and asked for more information. In July of this year, the ISRP approved the project with the qualification that several questions be addressed, Fast noted. The issues of interest to the ISRP included management of harvests and spawning escapement, overall program size, and the need for a robust monitoring and evaluation (M&E) program, he explained.

Fast described the sequence of reintroduction, program design, the hatchery facilities, and the water re-use system. This is an Accords project so the funding is there to go forward with it, he noted.

Anders moved that the Council approve the Yakima Subbasin Summer and Fall Run Chinook and Coho Salmon Hatchery Master Plan to proceed with Step 2 activities for the Holmes Ranch component of the coho program, subject to the requirement that the Yakama Nation address the issues raised by the ISRP as part of the Step 2 submittal. Pat Smith seconded, and the motion passed.

- **Step 1 review of Walla Walla Spring Chinook Hatchery Master Plan. Project #2000-038-00, Walla Walla Hatchery Final Design/Construction.**
  N. Kathryn "Kat" Brigham and Brent H. Hall, Confederated Tribes of the Umatilla Indian Reservation; and Lars Mobrand, Ph.D., D.J. Warren & Associates, Inc

Fritsch presented the Step 1 review of the Walla Walla Spring Chinook Hatchery Master Plan, sponsored by the Confederated Tribes of the Umatilla Indian Reservation (CTUIR), noting it had been approved by the F&W Committee. Lorri Bodi of BPA told the Council that BPA supports the project. We have a state-of-the-art facility and approach here that looks at all the H's, she said. This project is also state-of-the-art with respect to the many partnerships the tribe has built over the years in the community, Bodi stated, adding "I hope the Council approves it."

Kat Brigham of the CTUIR gave a presentation on the project, noting its connection with the tribes' First Foods program. Brent Hall of the CTUIR described treaty fishing rights and the history of the program. Spring chinook were extirpated in the Walla Walla over 75 years ago due to changes to flow and habitat conditions, overfishing in the early 1900s, and changes to the mainstem, he noted.

Hall explained the program and its goals and efforts to improve flows. He said the hatchery project would contribute to harvest and natural spawning, pointing out the project is part of the overall Walla Walla Basin comprehensive water and fish restoration program that will lead to a self-sustaining population in the long term. The comprehensive restoration strategy includes fish passage improvements, instream flow enhancement, floodplain enhancement, watershed protection and restoration, artificial propagation, and M&E, Hall noted.

He described the three phases of the program, the annual operating plan, and the project schedule. Construction of the hatchery will take place from the fall of 2014 to the winter of 2015, and we expect the first adult returns in the spring of 2019, Hall added.

Brigham said the Walla Walla Water Management Partnership has approved 101 applications to store water. We have increased flows into the basin, and we are trying to do all we can so this project can move forward, she stated.

Lars Mobrand of D.J. Warren & Associates said this project has been responsive to the ISRP's comments, especially with respect to M&E. The project is supported by the science and is likely to succeed, given what we know about the watershed, he added.

Are water quality and quantity still limiting factors? Karier asked. This is a measure from the 1987 program, noted Fritsch. It has taken two decades to get the water and keep the water in the river so that the fish can come back, he said. Hall noted several ways the limiting factors were addressed, including two dam removals, four ditch consolidation projects, and push-up dams converted to pumps. We are taking steps to increase flows wherever we can, he added.

We built partnerships with the irrigation districts and others, and we've learned that partnerships work, Brigham said. The Council is a partner with us too, she concluded.

Anders moved that the Council support the Walla Walla Spring Chinook Hatchery Master Plan, project #2000-038-00, to proceed with Step 2 activities, subject to the requirement that the Confederated Tribes of the Umatilla Indian Reservation fully address the comments raised by the ISRP as part of the Step 2 submittal. Smith seconded, and the motion passed.

## 2. Montana renewable energy and transmission panel:

Jeff Fox, Renewable Northwest Project; Mike Cashell, NorthWestern Energy; Joe Lukas, Western Montana Electric Generating and Transmission Cooperative, Inc.; and Brian Altman, Bonneville Power Administration; moderated by Pat Smith, Montana Council Member.

Smith, moderating a panel discussion, began with this question: What are your views on the past and future role of renewable energy resources in Montana? There has been rapid development of wind energy in the Northwest, and now there is an oversupply, said Joe Lukas of the Western Montana Electric G&T Cooperative. We have reached the full capacity of wind energy at this time, Renewable Energy Credit (REC) prices have gone down, and the future is for dispatchable resources, he stated.

We have saturated the transmission capacity in Montana, said Mike Cashell of NWE. Starting in 2007, we tried to develop the Mountain States Transmission Intertie (MSTI) to deliver wind energy out of the state, but in 2012, we abandoned those plans, he noted.

With the Renewable Portfolio Standards (RPS) like they are in Washington, Oregon, and California, the demand is not there for Montana wind at this time, said Brian Altman of BPA. I think there is a market, stated Jeff Fox of the Renewable Northwest Project. Montana has always exported renewables, and the long-term outlook remains solid, he said.

With the resource being so good here, we will see more wind development in the future, but it depends on having transmission capacity, Fox stated. The Montana-Alberta Tie Line still has some capacity available, and perhaps the MSTI project could come back, he said, adding "I don't think NWE has given up on exporting energy." Coal plants have come under additional regulatory scrutiny, and if plant retirements were to occur, there could be additional capacity available on the Colstrip transmission line, Fox stated.

What is the role of Montana resources to meet Northwest and California energy needs? Smith asked. Most utility Integrated Resource Plans show resources are sufficient to meet their needs, and there is zero demand for new renewables, responded Lukas. Economic growth is what would create future demand for renewables, he said. I think there will be more pressure on wind developers to bring a firm product, not raw wind, and that will be the growing tendency going forward, Lukas told the Council.

We've gone through an economic slowdown, some markets have gone away, and policies are in limbo in different states, said Cashell. In the future, there may be a market for wind resources, he stated. Having a long-term view is important, but it is a huge challenge to develop transmission for the longer term, Cashell added. Now, and for the next five years, it's going to be tough sledding for transmission developers and wind developers, he said.

It's a timing issue, said Altman, noting that Washington and Oregon's RPS are met until 2020, and California is looking at homegrown resources and solar. But in the future, they will come back to Montana wind because it's a great product, he added.

It is a longer-term play, but we need to start planning now, Fox stated. RPS's have not gone anywhere but up, no legislature has repealed an RPS, and the pressure to increase renewable standards is likely, he said. In the Northwest, Wyoming, and Utah, there are 11 gigawatts of coal, and 2.5 GW of that is scheduled to be retired, Fox noted. Looking down the road, there's another 2.5 GW under regulatory scrutiny, and that could mean more opportunities for Montana renewables, he said.

There has been controversy in the past two BPA transmission rate cases about the transmission path from Montana to the Northwest, said Smith. What's your view on transmission from here to the Northwest? he asked. Lukas expressed concern about the impacts of rolling BPA's Eastern Intertie costs into network rates.

NWE and other Colstrip owners are talking about upgrading the transmission line from Colstrip, but that work depends on BPA upgrading its system west from Townsend, Cashell stated. There has to be a solid business case to do both upgrades, said Altman.

What role will transmission policy play in developing Montana renewables? asked Smith. BPA has extended the transmission network in a business relationship with the Colstrip partners, and that upgrade doesn't belong as part of the network rate for BPA's preference customers, said Lukas. If we invest in the transmission upgrade and something happens as a result of the regulatory scrutiny of Colstrip, those could be stranded costs, he added.

There were only 3,000 MW of generation in Montana before 2007, and we have increased it by 1,000 MW, Cashell pointed out. Our load is growing a little bit, and the energy we are selling out of state brings revenues to Montana, he noted.

Until we figure out who is taking the risk for new transmission and whether there is a solid business case, there is the possibility of ending up with stranded costs, Altman stated. BPA is being asked to live up to its obligations with respect to the transmission upgrade from Townsend west, said Fox. If there needs to be protection for ratepayers from stranded costs, perhaps there could be take-or-pay contracts, he added.

In Washington, there is a push to reduce our coal purchases entirely, and that could impact Colstrip, noted Karier. We are looking at the 2020 to 2025 period when natural gas could be more expensive, so wind from Montana could be a nice balance, he added. The Council will have to look at a portfolio approach, particularly if Washington State goes "coal or carbon-free," Karier said.

Why is it a mystery as to whether the BPA upgrade is a "sound business case?" he asked. BPA is living up to its obligations, replied Altman. We took a six-month hiatus, but now we are moving forward with the environmental work for the line, he stated. After that is done, the BPA Administrator will make a decision on whether or not it makes sense to build that transmission project, Altman told the Council.

Some have said it would be wiser to locate generation closer to load and avoid the expense of transmission, said Henry Lorenzen. What's your view on that? he asked the panel. Having to deliver generation long distances is one of Montana's problems, replied Lukas. It's a challenge and a big cost issue, he said.

We think it would be a smart policy decision to have a Western interconnection where everyone can share the diverse resources we have, said Fox. In the future, distributed generation and storage are the ultimate solutions, stated Altman. Solar will be a major driver in the future, but the long-term need for the grid will remain, Fox said.

I'm interested in what BPA and Montana are going to do, Yost stated. With Washington's experience with WPPSS, and Montana's experience with deregulation, as soon as you figure out what you are going to do, Idaho is going to do the opposite, he quipped.

Utilities do tend to fall into the "monkey see, monkey do trap," said Lukas. That's how we got this glut of wind on the system -- everybody piled on until we got an oversupply, and probably in the wrong place, he stated. Time will get us out of that, but Jim's point makes sense because there will be market opportunities in the future for those who do the opposite, Lukas said.

There are big corporations like GE that want to build wind, said Bill Booth. If they think the market is there, wouldn't they provide funding so the business case could be made? he asked. One developer has a significant amount of money deposited in escrow with BPA, noted Fox.

We wrote off $24 million as a result of the MSTI project, and "it was a big hit," said Cashell. No matter how big you are, it is always a matter of risk, he added. Altman suggested the state of Montana could help back a transmission project that would enable more renewable energy projects to be built in the state.

Ted Williams of Gaelectric, during a public comment period, said his company is the wind developer mentioned in the panel's discussion. When BPA proposed the Montana Intertie, it said it was partly to integrate coal resources, but also that the project would add to the reliability of the overall grid, he told the Council. Today, BPA is saying the project would be built exclusively to integrate renewable resources, Williams stated. Listening to that "revisionist history" was alarming and frustrating, he said.

The market was "going gangbusters" until 2008 when the entire U.S. economy went bad, Williams stated. We haven't seen the load growth there was before 2008, but when the economy comes back, people will want wind energy, he said. When you talk to California utilities, the last thing they want is more solar -- what they want is high-capacity wind, Williams added.

Joe Lukas referred to a "glut of wind," Williams continued. Once there was a glut of hydropower in the Northwest, but people found a way to manage it for the benefit of the region, he said. We don't lack the resources, we lack the visionaries, Williams stated.

The parties that should pay for the new transmission in Montana are those that would benefit from it, and "if it is a California party, so be it," he said. People need to talk to one another and find ways to solve all these problems, Williams added.

Council chair Bill Bradbury asked Williams about his background. I am the transmission head for Gaelectric, an Irish-American company with 500 MW of wind projects in various stages of development in Montana, Williams replied.

## Public comment will be taken on any issue before the Council as time permits

## 3. Regional resource requirements to meet renewable portfolio standards 2015-2035:

Gillian Charles, energy policy analyst.

Staffer Gillian Charles briefed the Council on renewable portfolio standards, noting that 29 states have passed such a standard. They vary in content, but in general, they seek an average target of 15 to 20 percent of electricity sales be met with renewable energy sources by the mid-2020s, she said.

Montana's RPS was passed in 2005 and requires 15 percent renewables by 2015, Charles noted. Washington's resulted from passing a ballot initiative in 2006, and it requires 9 percent renewables by 2016 and 15 percent by 2020, she reported. Oregon's RPS was adopted in 2007, and it requires 15 percent in 2015, 20 percent in 2020, and 25 percent in 2025, Charles said.

To count, Montana's renewables must be located in Montana or deliverable there, Washington's must be in the Northwest or delivering electricity into Washington, and Oregon's must be located in the Western Electricity Coordinating Council area, she explained. Only Oregon has a "carve-out," which requires 20 MW of AC solar photovoltaics by 2020, Charles said.

Montana's RPS does not contain multipliers, Oregon gives double credit for solar PV developed before 2016, and Washington gives double credit for distributed generation, with an additional multiplier for union labor, she noted.

California's RPS calls for 33 percent by 2020, but there is the possibility that standard could be raised to 51 percent by 2030, Charles continued. In the past, that would have affected renewables development in the Northwest, but now California's RPS has a limit on the percentage of renewables that can come from out of state, she said.

RECs represent the "green" attribute of energy produced by a renewable resource, and 1 REC equals 1 MWh, Charles explained. Power can be sold with or without RECs, and RECs can be sold and traded through the REC market, overseen by the Western Regional Energy Generation Information System (WREGIS), she said. Once a REC is used for compliance, it is "retired," Charles added.

Is there a formal REC market? Karier asked. The WREGIS website tracks and accounts for RECs, but it isn't an organized market, Charles said. The market is currently "awash" with RECs, and prices are very low, said staffer Charlie Black.

While Idaho does not have an RPS, its Idaho Energy Plan encourages the development of cost-effective local renewable resources, Charles said. There has been significant renewables development in Idaho, with 850 MW of wind generation installed in the past eight years, she pointed out. Idaho sells RECs within and outside the region, Charles said.

For Public Utility Regulatory Policies Act (PURPA)-qualifying facilities, REC ownership is split 50/50 between the developer and the utility, she noted. Idaho has gone through a transition period, said Yost. There were big companies that came in and developed big wind farms in small pieces in order to get PURPA RECs so the legislature made the decision to split the

ownership 50/50, he stated. Also, a few years ago, the Idaho PUC said since there is no RPS to meet, Idaho Power couldn't keep the RECs and had to sell them and return the revenue to the ratepayer, Yost pointed out.

"Idaho thinks an RPS is kind of unnecessary -- it's like naming a town Walla Walla -- it's a waste of one Walla," he stated. If you have a good business model and are trying to diversify your resources, you don't need an artificial standard that requires you to acquire more resources than necessary, Yost said.

The Northwest appears to be RPS compliant through 2019 or 2020, based on committed resources, planned REC procurements, and banking provisions. Charles summed up. Post-2020, it gets a little murky, and wind development in the Northwest appears to have slowed down significantly compared to the past decade, she added.

## 4. Renewable portfolio standards in Montana:

Jason Brown, Montana Public Service Commission; John Bushnell, Lead Supply Planner, NorthWestern Energy; Brian DeKiep, Montana state staff.

Jason Brown from the Montana PSC said the state's Renewable Power Production and Rural Economic Development Act of 2005 requires public utilities and competitive electric suppliers to procure 15 percent renewables, based on the prior year's retail sales of megawatt-hours, by 2015 and every year thereafter. A competitive electricity supplier is an entity that is not a public utility or cooperative, but sells electricity in Montana to small customers at retail rates, he noted.

Montana's RPS has a carve-out for community renewable energy projects (CREPs), requiring 50 MW of CREPs in 2012 and 75 MW in 2015, Brown reported. The carve-out only applies to public utilities, he said. A CREP is an eligible renewable resource of 25 or less MW, Brown noted.

Utilities may carry forward the amount by which they exceed the RPS for up to two years, they may petition for short-term waivers, but they have to pay a penalty of $10/MWh of RECs if they are unable to meet the standards, he said. Co-ops and municipal utilities are exempt from the RPS, Brown added.

John Bushnell, lead supply planner for NWE, said his utility is doing pretty well meeting the RPS, but the CREP requirement has been more of challenge. We did an RFP for CREPs in 2009 and got 40 responses, but we ran into stumbling blocks with most of them, ranging from environmental, avian, and NIMBY issues, he stated. We ended up with two contracts for wind projects, but that still left us short on CREPs, Bushnell reported.

In 2012, we did another RFP, and 30 projects came in, he said. We had some good projects, but they were in another balancing authority and couldn't get the transmission needed, so we have just closed that RFP out, Bushnell stated.

We will have to apply for a compliance waiver and issue another RFP, which we will do in a month or so, he said. Except for CREPs, our RPS forecast shows we will comply with the RPS

with 95-96 percent wind and 4.5 percent hydro, and we will be in compliance for a long time, "as long as the wind blows," Bushnell added.

Yost asked about the obligation to acquire power from QFs. We are required to buy the output, but aren't guaranteed the RECs, Bushnell replied. We have to negotiate for the environmental attributes separately, he added. It's surprising the RECs aren't bundled in your PURPA projects, Yost said. The Federal Energy Regulatory Commission ruling is that the REC is a construct of state law, and it is up to the state whether to bundle the RECs or not, Bushnell responded.

We have a lot of stranded wind projects in Montana, but we have limited ability to provide balancing for new wind, he said. Our recent acquisition of hydro facilities could help, Bushnell added.

## 5. Briefing on Northwest Energy Efficiency Alliance Draft Strategic Plan:

Susan Stratton, Executive Director, NEEA.

Susan Stratton, director of the Northwest Energy Efficiency Alliance (NEEA), briefed the Council on NEEA's draft Strategic Plan for 2015-2019. As an alliance, we have saved over 1,000 average MW in the region, and we know that investments today will pay off in the future, she said.

Our mission is to mobilize the Northwest to become increasingly energy efficient, Stratton stated. Among the things we heard as NEEA put together its strategic plan is that the economic recovery has been slower than expected, and uneven across the region, she noted.

There is low load growth and pressure to keep electricity rates low, Stratton said. While energy efficiency is the driver of customer satisfaction, the low-hanging fruit is disappearing, she stated. We think that "more fruit is growing," but it is more complex to access, Stratton noted. In addition, the pace of technology change is accelerating, she said. We have cut back on our research a little and are working with a smaller budget than in the previous five years, Stratton added.

The goals in our plan boil down to: filling the energy efficiency pipeline with new products, services, and practices, and creating conditions to accelerate and sustain market adoption of them, she told the Council. Stratton described how NEEA is soliciting comments on the draft plan, including webinars and a website, conduitNW.org. We hope to submit both the strategic plan and our 2015-2019 business plan to our board in December, she added.

We would like to hear the Council's opinion of the draft strategic plan, Stratton said. Black noted that a draft set of comments was circulated to Council members. He pointed out there was a discussion about the Council's Seventh Power Plan at PNUCC's October board meeting. The PNUCC group, Black noted, has been "constant and reliable" in voicing their concerns about the shift from an energy-constrained system to a capacity-constrained system with increasing flexibility needs. I talked with them about what NEEA could do to help more with flexibility and capacity needs, he said.

The Council's comments recommend that NEEA not only track and report on energy savings achievements, but also track peak load reduction impacts, Black noted. We have had many discussions about the capacity issue, and the truth is there are not many of our products and practices that don't have the ability to contribute something to peak savings, Stratton said. We could add a new screen reflecting this issue when we evaluate new projects, she suggested. The Council approved the draft comment letter on NEEA's strategic plan.

## 6. Briefing on NorthWestern Energy:

Bob Rowe, CEO, NorthWestern Energy.

Bob Rowe, CEO of NorthWestern Energy (NWE), told the Council NWE has 673,200 customers, both electric and natural gas, and owns 412 MW of generation in Montana and 376 MW in South Dakota. We have a lot of stakeholders with strong views, and we have a high-quality board that is very engaged, he said. This year, NWE was recognized by Forbes magazine as one of "America's most trustworthy companies" for the third year in a row, and NWE was also recently recognized as one of the top 40 best energy companies in the country by Fortnightly 40, Rowe noted.

We pay a lot of attention to having good financial controls and strong corporate citizenship, he said. We are the largest utility and taxpayer in Montana, with residential electric and natural gas rates below the national average and customer service satisfaction that exceeds the JD Power survey average, Rowe added.

When I came aboard, one thing I wanted to do was get out ahead of the aging infrastructure we had and rebuild capacity where it was short, he said. We are purchasing traditional gas assets; for example, in 2012, we bought 600 producing gas wells, two gathering systems, and 400 miles of pipeline in the Bear Paw Basin in Montana, Rowe stated. When other purchases are completed in 2013, we will own 37 percent of our annual natural gas load in Montana, he added.

Late in 2012, NWE took ownership of the 40-MW Spion Kop wind project, our first company-owned wind project, and we now have about 235 MW of wind generation in our portfolio, Rowe reported. We have been looking for opportunities to move toward owning more generation to serve our customers and to meet all federal and state policy requirements, he said.

In the second half of 2014, we expect to close on the purchase of 11 baseload hydro projects totaling 633 MW of capacity and one storage reservoir from PPL Montana, Rowe stated. I was at a conference of CEOs of big companies this summer, and one said to me: "of all the traditional fuels, the only one we have no concerns about is hydro," Rowe said.

The transaction will allow us to approximately double our owned resources in Montana and reduce our reliance on third-party power purchase agreements and spot market purchases, he reported. We think the federal approvals will be relatively straightforward, Rowe said. The Montana approvals are critical, and we will file with the state later this year, he added.

Congratulations on the PPL purchase, said Pat Smith. Those dams are part of our history, and it's good to see them come back under the control of someone with Montana roots, he stated. Smith asked how the hydro system would help meet balancing needs. It's miraculous how the

hydro portfolio fits with our light-load periods, said Rowe. The Dave Gates generating station is also an important resource for us, and its main purpose is to help with intermittent resources, but that plant is now being pushed to its maximum, he noted.

Smith asked about energy efficiency programs. It's a challenge nationwide to get policy support for running an efficiency business, and ideally, you would have a way to earn a return on efficiency programs, said Rowe. We don't have decoupling in Montana, but we do have a lost-revenue adjustment mechanism, and our Public Service Commission (PSC) has said it is going to review that, he stated. Utilities believe in these programs, but they "have heartburn" over whether or not the return is there, Rowe told the Council.

We hear concerns about cost recovery everywhere, said Tom Karier. The Council will try to be of some help on this issue, he stated. Idaho has a wonderful straightforward model, and Washington is working on one, noted Rowe.

Karier asked about the Colstrip coal plant. We have a partial ownership in Colstrip 4, replied Rowe. It is a relatively new modern plant, and we think of it as "the anchor for our portfolio," he said.

Jim Yost asked about NWE's resource stack. Our resource stack was "blown up by deregulation," and the challenge has been rebuilding, replied Rowe. After the PPL purchase is concluded, about half of our needs will be met with renewables, basically wind and hydro, said John Hines of NWE.

## 7. Council Business

### – Approval of minutes

Anders moved that the Council approve the minutes of the September 10-11, 2013 Council meeting held in Coeur d'Alene. Karier seconded, and the motion passed.

### – Approval of Resource Strategies Advisory Committee member list

Black said staff has assembled a list of 34 people from a wide variety of regional interests to serve on the Council's Resource Strategies Advisory Committee. If you give us the go-ahead, we will send out an invitation to those on the list, and we plan to get this committee up and running in November or December, he stated.

Anders moved that the Council approve the list of candidates for the Resource Strategies Advisory Committee. Rockefeller seconded, and the motion passed.

Approved November ____, 2013

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Vice-Chair