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January 7, 2009

MEMORANDUM

TO: Power Committee

FROM: Terry Morlan

SUBJECT: Review of Fuel Price Appendix and Chapter 5 Section

We have completed the fuel price forecasts for the draft Sixth Power Plan. Comments were received on the preliminary draft in November, and the forecasts were revised in December. We summarized the comments we received at the November Council meeting. In the January 2009 web conference call for the Power Committee, I will briefly review the comments and responses and describe the changes to the forecast.

The purpose of this agenda item is to give Power Committee members a chance to provide input on two drafts that would, when ready, become part of the draft Sixth Power Plan. One is a revised Appendix A. The appendix describes the fuel price forecasts and models in detail. It is a revision of the paper that was released for comment in October 2008. The appendix is posted on the Council's web site at <http://www.nwcouncil.org/library/2008/2008-14.pdf>.

The second draft is a summary of the fuel price forecasts that would become part of a chapter (currently Chapter 5) of the Sixth Power Plan. Chapter 5 is a summary of the major assumptions and inputs used to develop the Power Plan. The draft of Chapter 5 with an introduction and fuel price section is attached.

Massoud Jourabchi will show you other draft parts of Chapter 5 dealing with economic forecasts, retail electricity prices, and forecasts of demand for electricity.

We are showing the Committee pieces of the writing as we develop them to give the Council a chance to help form the contents of the plan. We also hope to streamline the drafting process by getting early feedback and suggestions. This will be more of a discussion than a presentation. Staff will be looking for some discussion of whether the contents are useful and organized in a way that covers the key assumptions in an understandable manner.

Attachments