

Proposed Scope and Schedule for Scenario and Sensitivity Analysis

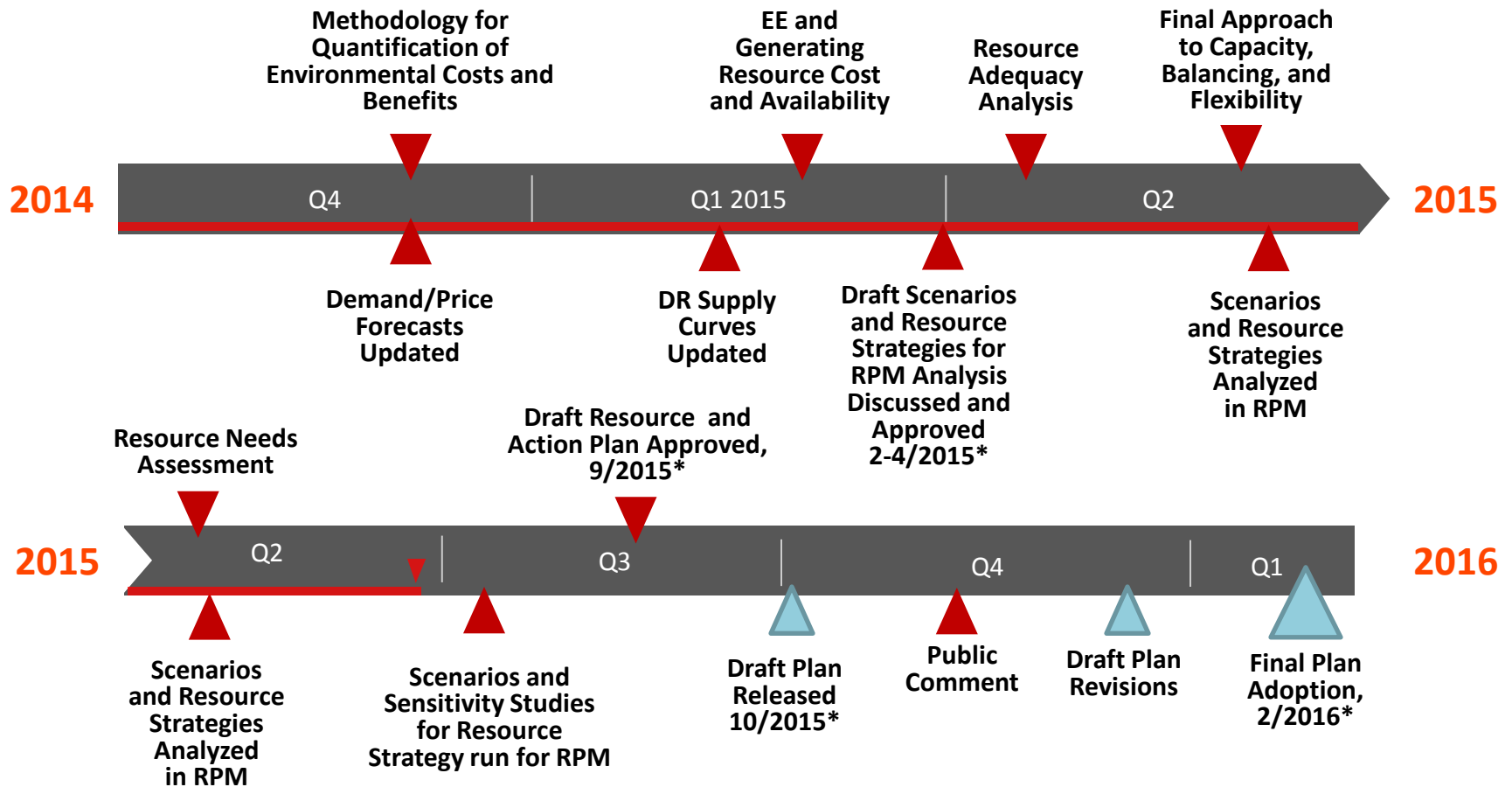
Power Committee Webinar
June 26, 2015

Proposed Revision to 7th Plan Schedule

- **Draft Plan Adoption – October 13-14, 2015**
- **Public Comment – October 23 – December 18, 2015**
- **Final Plan Adoption – February 9-10, 2016**

Rationale – Provide additional time for Council review of scenario analysis, sensitivity studies and draft plan action plan and chapters.

Major Seventh Plan Development Milestones



*Refers to the Council meeting in that month. Dates are DRAFT until each Council meeting agenda is finalized.

Updated 6/2015

Proposed Revisions to Scenario Scope

Eliminate Four Scenarios

- **Scenario 2A - Existing Policy with Uncertainty and with certain GHG reduction risk/target.**
 - In staffs' judgment the results from Scenario 2C provide sufficient information to address this question. Moreover, since the final CPP rule is not anticipated to be released until later this summer, it is not possible to model the specific requirements of this regulation.
- **Scenario 5A - Integration of Variable Resources (i.e., managing the NW Impact of the "Duck Curve"/50% CA RPS).**
 - Staff recommends that modeling of this scenario be delay until its results can be considered as part of a broader discussion of the regional adequacy standard following plan adoption. This scenario requires as "WECC-wide" view of loads and resources and might be significantly impacted by the emergence of SCED/EIMs.
- **Scenario 6A - Climate Change Load Impacts Resulting from Direct Effects of Climate Change.**
 - Staff recommends that modeling this scenario be dropped since preliminary testing revealed that the changes in load shape (i.e., lower winter loads and higher summer loads) are limited in the near-term and thus do not alter resource decisions required within the period covered by the action plan and long term impacts are subject to a wide range of uncertainty.
- **Scenario 6B – Climate Change Impacts on Hydrogeneration.**
 - Modeling this scenario requires a projection of changes in amount and timing of run-off. The current data on which such projections are based in both out of date (i.e., covers only 70-year water record, while RPM uses 80-year record) and has known errors. The staff recommends that this scenario be delayed until after the release of an updated set of forecast for climate impacted stream flows based on IPPC-5 is available in 2016.

Proposed Revisions to Scenario Scope

Add Four Sensitivity Studies

- **Sensitivity S1 - Scenario 1B and 2C w/o Centralia Boardman and Valmy Retirements**
 - This sensitivity study and Sensitivity S2 were requested by the Public Power Council staff. Specifically, PPC staff indicated that they were interested in determining how the loss of these resources impacted the pace of regional conservation and demand response development.
- **Sensitivity S2 – Scenarios 1B and 2C w/Lower Natural Gas Prices**
 - This sensitivity was requested by members of the SAAC, RSAC and PPC staff. It is designed to assess the impact on resource development of significantly lower natural gas prices.
- **Sensitivity S3 – Scenarios 1B and 2C w/o Demand Response (DR)**
 - This scenario was requested by members of the SAAC and RSAC. It is designed to determine both the value of DR and the resources that would be required if developments of DR cannot be accomplished at the assumed pace or in the amount identified as achievable over the planning period.
- **Sensitivity S4 – Scenarios 1B and 2C w/Lower Winter Peak Contribution from Conservation**
 - This scenario was requested by members of the SAAC and RSAC. It is designed to determine both the value of conservation's peak capacity contribution as well as the resources that would be required if the end use load shape data used to estimate its peak reduction overstates its impacts.

Seeking Council Guidance

- Revisions to the proposed schedule
- Scenario vs. Sensitivity study tradeoff
 - Which ones are priorities
 - How to handle additional requests
 - From Council members
 - From stakeholders