

Attachment 1

January 18, 2006

Pacific Northwest Resource Adequacy Forum Components of Possible "Successful Outcome"

PHASE I:

REGIONAL ENERGY METRIC AND TARGET:

- Steering Committee recommends energy metric & target to Council
- NW Power and Conservation Council adopts energy metric & target
- Council has an ongoing process to review and update with ongoing support from the Technical Committee

REGIONAL CAPACITY METRIC AND TARGET:

- Technical Committee agrees on methodology for sustained capacity metric and target
- Steering Committee recommends capacity metric & target to Council
- NW Power and Conservation Council adopts capacity metric & target
- Council periodically reviews capacity metric and target with support from Technical Committee to determine if changes are needed

CONFIDENTIAL REPORTING OF FORECASTED LOADS AND RESOURCES:

- Reporting is consistent with agreed upon definitions, metrics and targets
- Reporting by individual utilities to PNUCC
 - Provided by IOUs
 - Provided by non-load-following publics
 - Reported by BPA for its load-following customers
 - Requests are made to IPPs and others for non-utility generation and load data
- Goal is to have one data submittal process, which feeds various reporting processes (e.g. WECC)
- Information provided to Regional Assessments

AGGREGATE REGIONAL ASSESSMENT OF TARGETS BASED ON REPORTED INFORMATION:

- Performed by PNUCC, NWPCC and other entities
- Provides regional transparency as to whether and when resource adequacy problems might arise

ACTIONS IF REGIONAL ASSESSMENTS INDICATES TARGETS ARE NOT, OR MAY NOT, BE MET:

- Publicize concern
- Other actions?

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PHASE II:

DEVELOP NON-BINDING GUIDELINES FOR TRANSLATING REGIONAL TO INDIVIDUAL UTILITY METRICS AND TARGETS:

- Allows individual utilities to assess whether their systems are resource adequate based on regional metrics and targets
- Assists utilities, PUCs and local boards in their resource planning processes
- Issued by NWPCC, based on recommendation from Technical and Steering Committees

INCENTIVES FOR COMPLIANCE:

- BPA power customers charged high rate for “unauthorized increase” to encourage compliance with resource adequacy metrics and targets
- PUCs hold IOUs accountable in ways they deem appropriate