Bonneville Power Administration

Steps to Finalize Regional Capacity Standard in Next Year

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PNW Resource Adequacy Steering Committee Meeting

July 28, 2006

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Technical Issues to be Addressed

- Determine whether 10 hour over 5 day Sustainable Peaking Capacity Duration is sufficient to assure Region can meet load during Cold Snap; what is the Correct Duration for a Heat Wave Event?
- Evaluate appropriate Capacity Credit for Wind for Cold Snaps and Heat Wave Events
- Revise HELMS to more accurately portray Load Increases due to Temperature Deviations
- Perform Analysis of July 24 Heat Wave Event
  - Evaluate Probability of Occurrence
  - How does Event compare with Design Event for Summer Capacity Metric and Target
  - Determine Lessons Learned that may indicate Need to Revise Capacity Metric and Target

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Technical Issues to be Addressed

- Work with Council Workgroup to assure continued Availability of Natural Gas for gas-fired Power Plants during Cold Snap
- Re-evaluate availability of Out-of Region Surplus Capacity in Wintertime
- Substantiate Intuitive Approach to Capacity Standard with LOLP Analysis
- Check that Probability of any increased Loss of Ability to meet Fish Targets/Ops is ≤ 5% under Cold Snaps or Heat Waves

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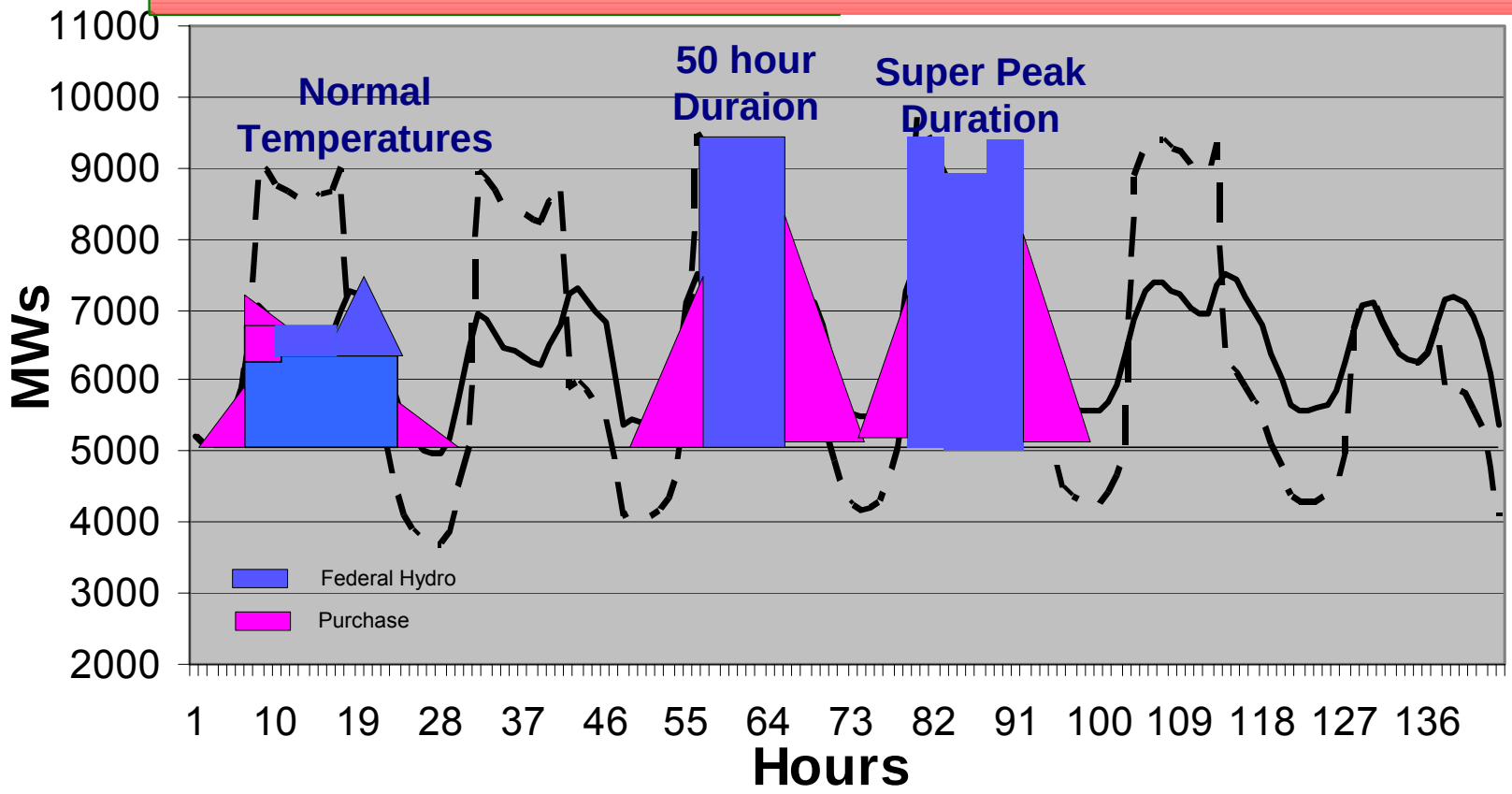
What Should the Sustained Peaking Duration be?



Illustrative FCRPS Ops to meet Average vs. Cold Snap Loads

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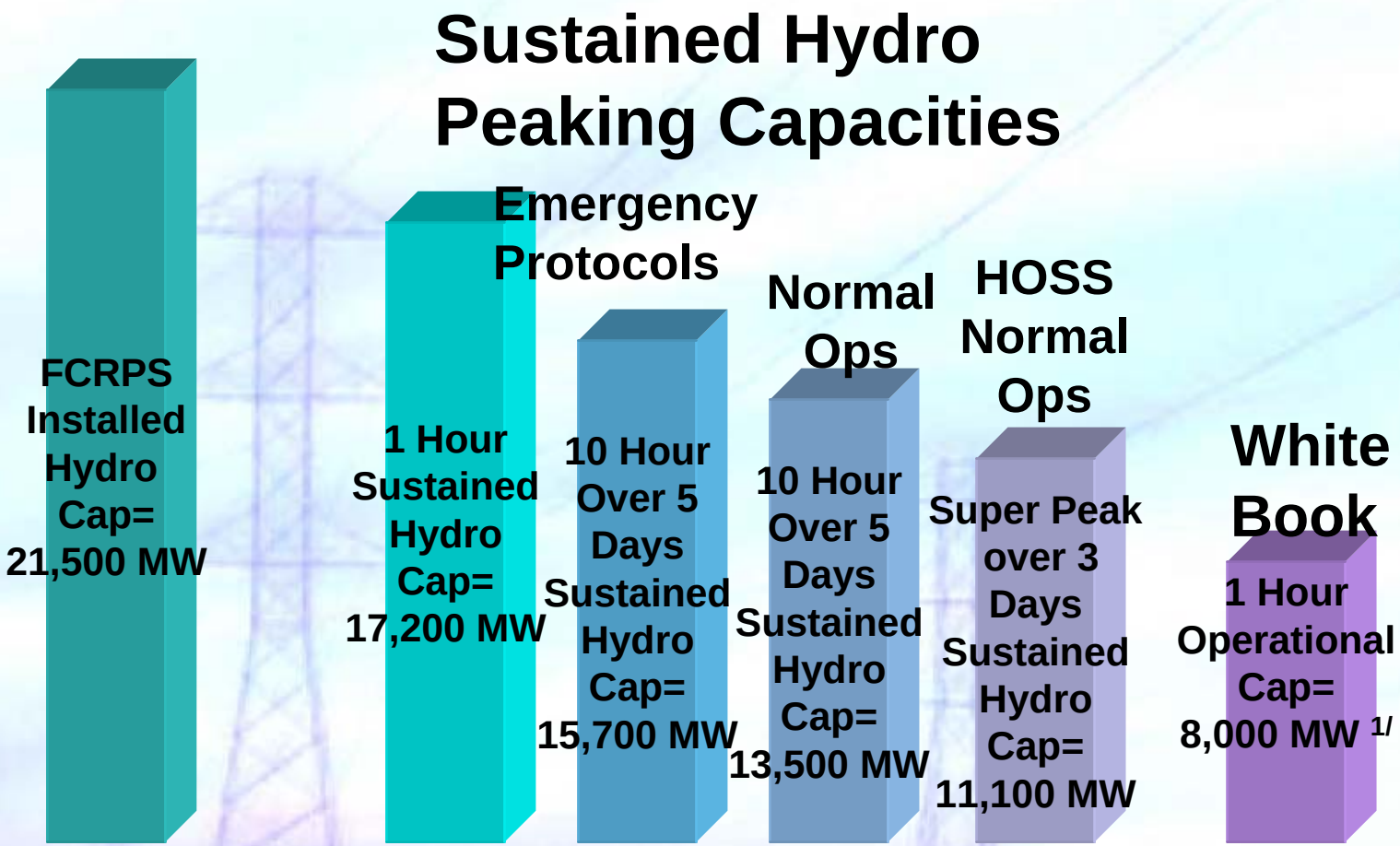
Comparison of FCRPS Capacities (Feb 06)



1/ Operational Capacity is currently under revision for future inventory studies