

BPA Resource Program

Public Workshop

March 17, 2007



Public Workshop Agenda

Introductions

Resource Program Context

- Resource Program Background at BPA
- Timeline
- A View of the Resource Acquisition Process

Resource Program Overview

- Proposed Process Flow
- Draft Objectives Summary
- Draft Criteria Summary
 - Uses of Criteria and Constraints
 - Criteria Summary Chart

Discussion on Next Steps



Resource Program Context – Resource Program Background at BPA

- Consistency with NW Power and Conservation Council
- The last BPA Resource Program was in 1992
- We are rebuilding capability and adding new analysis (capacity)
- We expect to update the RP periodically with continual improvements

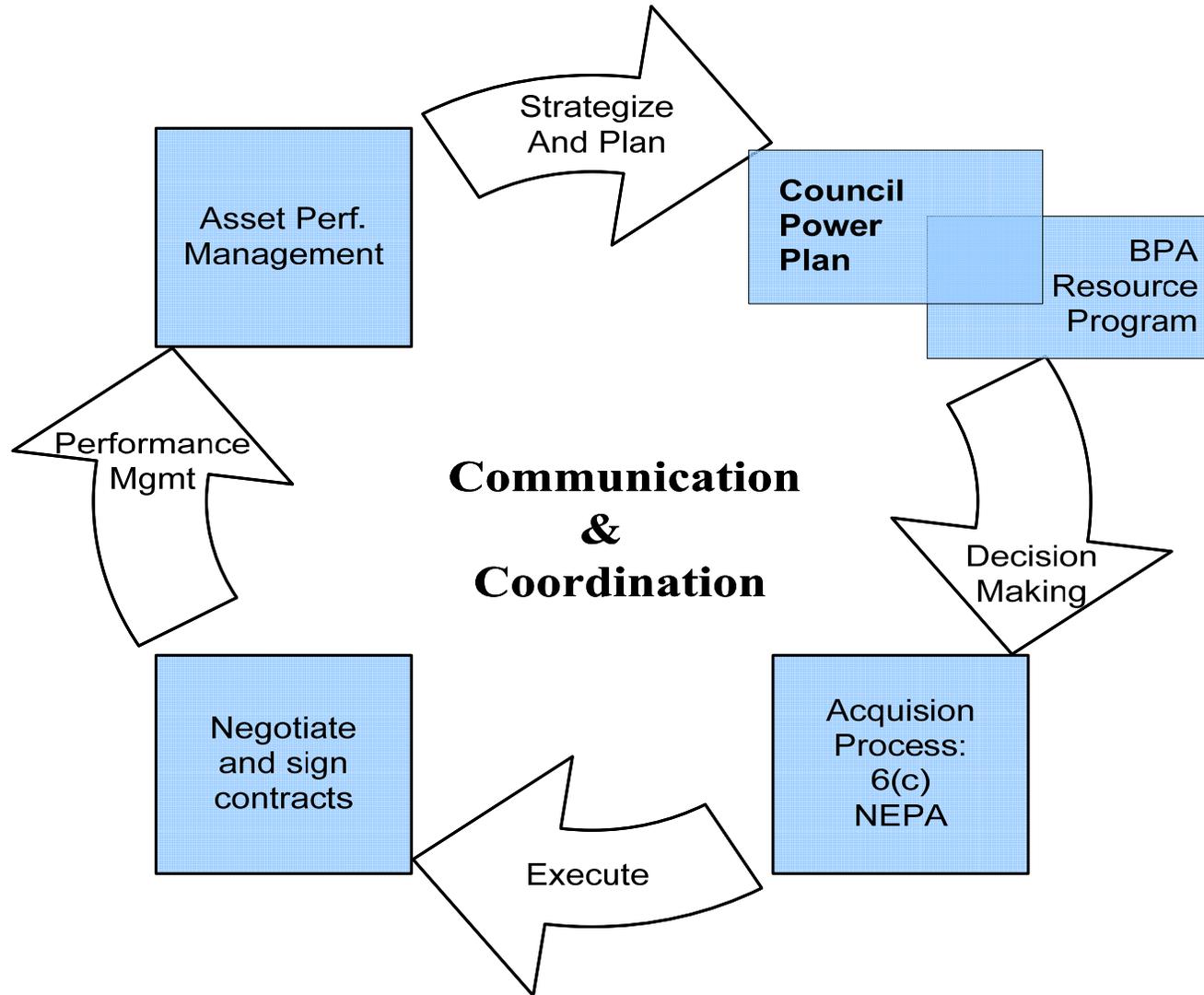


Resource Program Context – Timeline

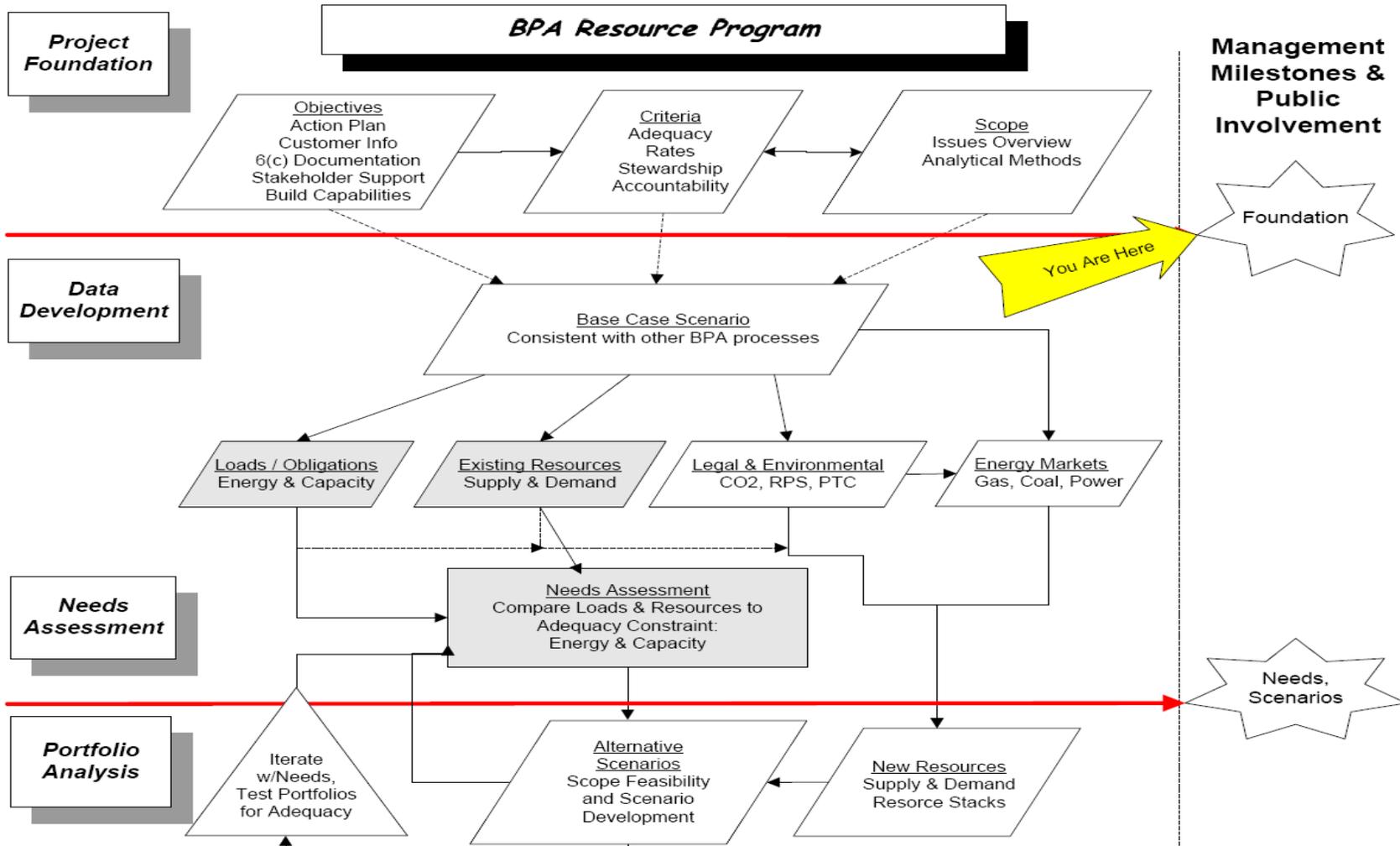
- Timely completion of Regional Dialogue effort is critically important
- Tremendous workload to reach this goal
- Strongly inclined to defer the Resource Program by 8 months
 - Allows BPA, customers and others to maintain/re-direct resources on the Regional Dialogue efforts
 - Improves synchronization with the Council's planning process, allowing BPA's Resource Program to rely more on Council's analysis
 - Minimizes potential for divided attention/confusion between BPA's Resource Program and the Council's planning efforts
 - Improves ability to incorporate stakeholder input
 - Results in a better overall product
- Need to hear any compelling reasons to not defer Resource Program by March 21



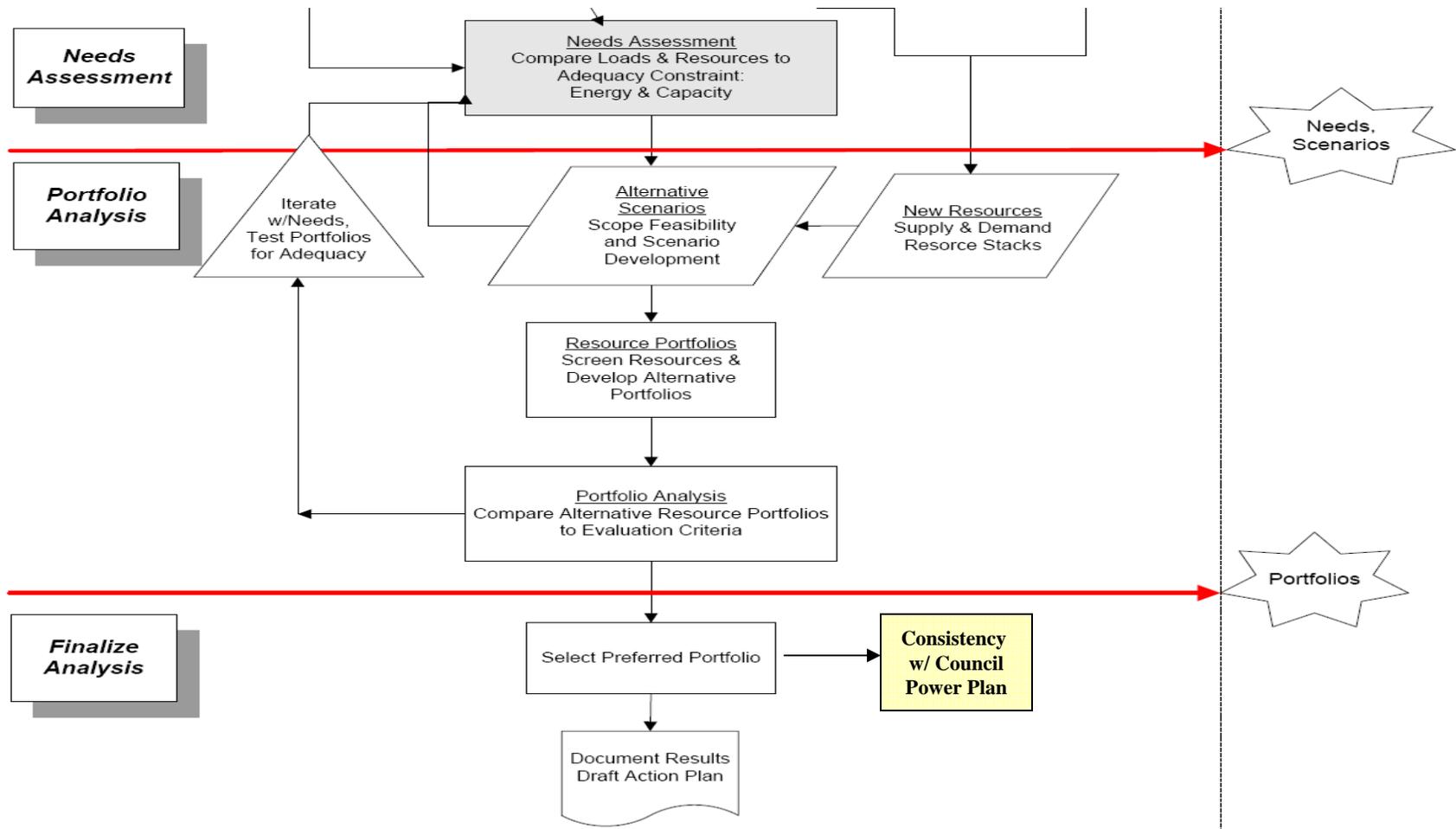
Resource Program Context – A View of the Acquisition Process



Resource Program – Proposed Process Flow (part 1)



Resource Program – Proposed Process Flow (part 2)



Resource Program Overview – Draft Objectives Summary

- Build external stakeholders' understanding and support for BPA acquisition choices.
- Provide information about BPA's likely resource acquisitions, including costs and risks, to better inform stakeholders.
- Define the types, amounts and timing of resource acquisitions for 2010-2020 that best support BPA's strategic objectives.
- Contribute to documentation for any necessary 6(c) or NEPA processes.
- Build BPA's resource planning competency.



Resource Program – Uses of Criteria and Constraints

- Planning criteria are standards used to make a judgment, characterize trade offs to be considered
- Constraints set minimum performance expectations
- Criteria and constraints are built upon statutory & regulatory requirements, the Council's Power Plan and BPA's Strategic Objectives
- They include a mix of quantitative and qualitative measures
- Adequacy constraints are used early in planning process to determine the extent of resource need
- Adequacy constraints are used again later in process to screen candidate resource strategies (any strategy must first be adequate to address the need)
- Indicator measures of criteria will be used to portray trade offs in decision matrices that show relative performance of strategies (including performance under alternative scenarios and future assumptions)



Resource Program Overview – Uses of Criteria and Constraints

- Accountability to the Region will assess consistency with Council plans, ability to support state RPS requirements and general stakeholder perspectives gathered through the public process
- Adequacy constraints are designed to
 - satisfy the adequacy standards developed by the Council and the Regional Adequacy Forum
 - address annual and seasonal energy needs
 - address sustained peaking capacity and instantaneous peaking & load following requirements
- Environmental Stewardship criteria will include GHG and other environmental impacts are measured in terms of quantities of emissions, and qualitative assessment of impacts (also contribute to estimated system cost)
- BPA financial impacts are addressed through risk measures and rate impacts
- Economic efficiency is addressed through incremental regional system cost (where system cost follows the definition in NW Power Act)



Resource Program Overview – Draft Criteria Summary

