

# Regional Power Update

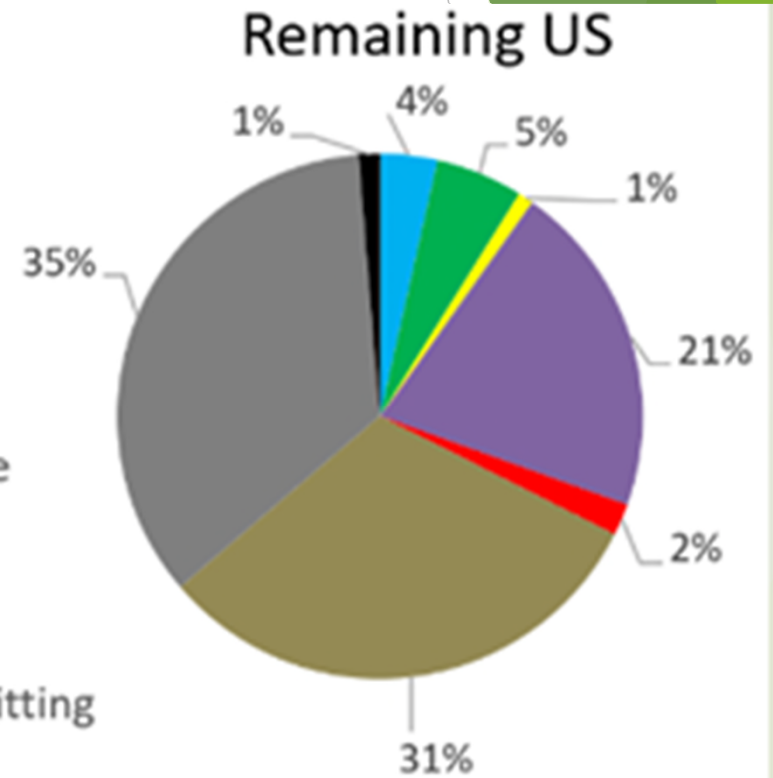
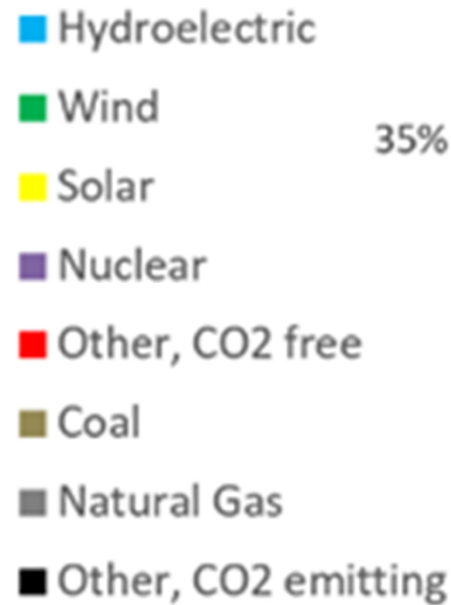
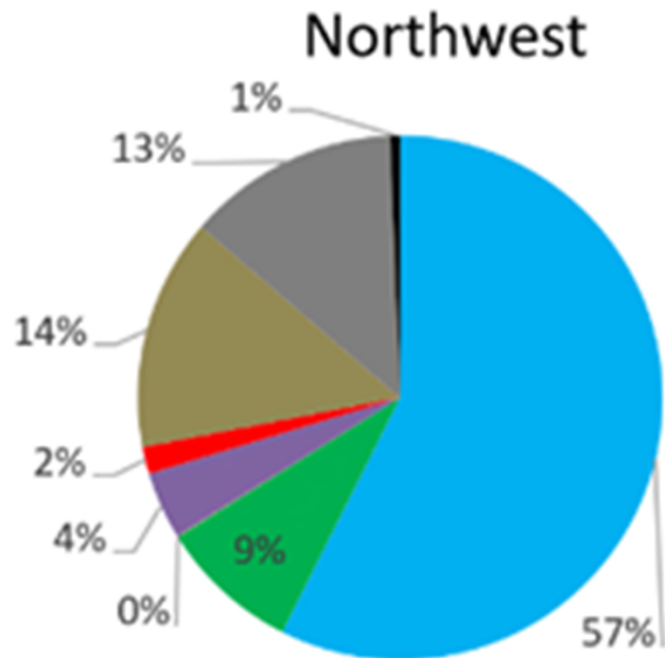
Washington Rural Electric Cooperative Association  
June 12, 2019

Scott Corwin  
Northwest Public Power Association

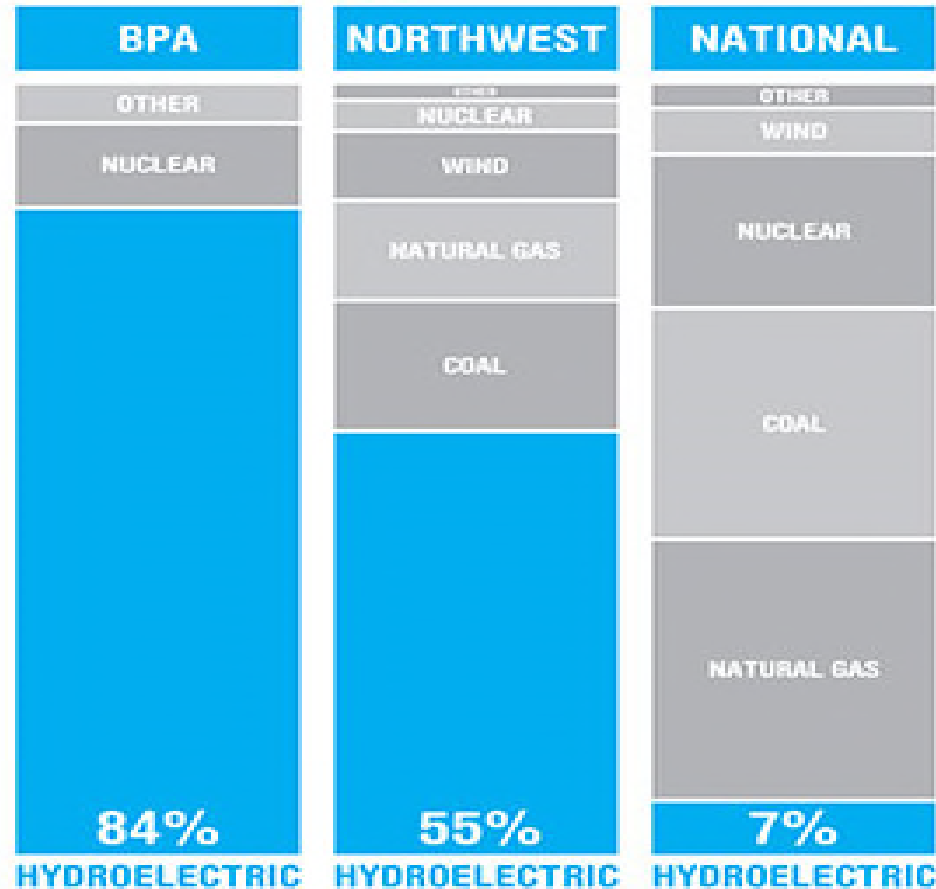
# Value of the Federal Columbia River Power System



## Current NW Resources - PNUCC, 2018



# Energy Sources



THANKS TO AN ABUNDANCE OF HYDROPOWER, RESIDENTS AND BUSINESSES IN BPA'S SERVICE AREA BENEFIT FROM CLEANER ENERGY.

**HYDRO POWER FLOWS HERE**

# Utility NW Loads and Resources Forecast -- PNUCC 2018

Figure 1 Winter Growth Flatter, Summer Steady

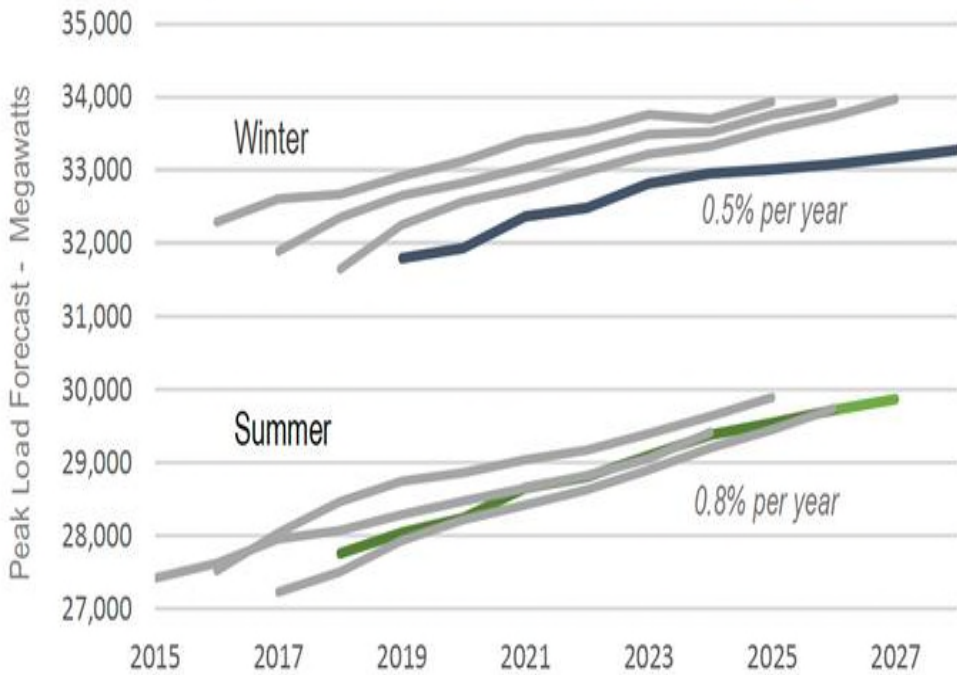
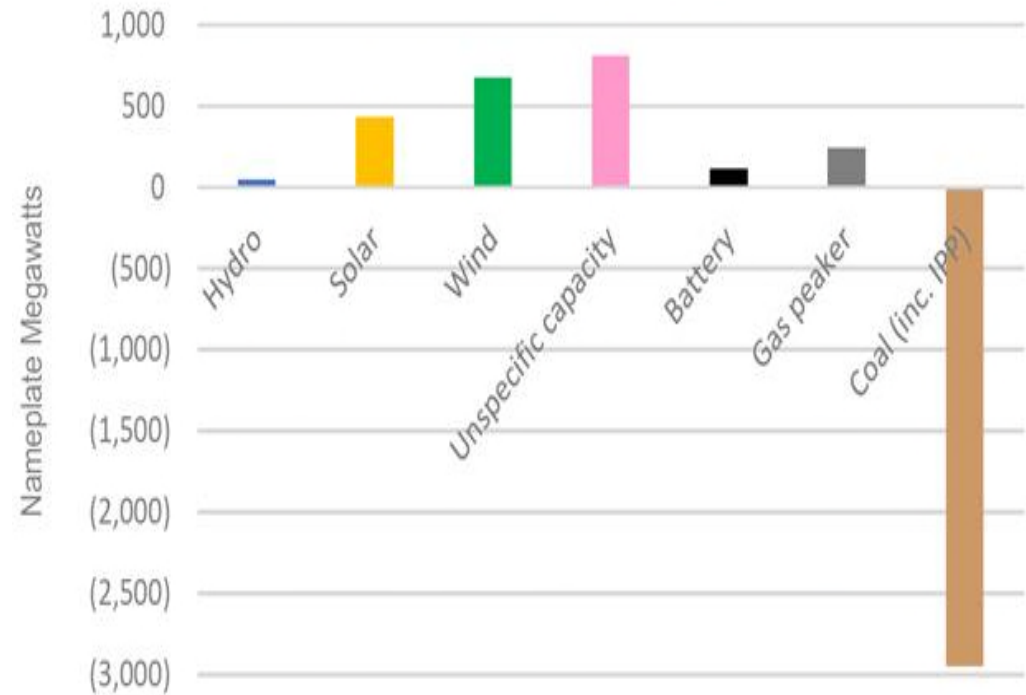


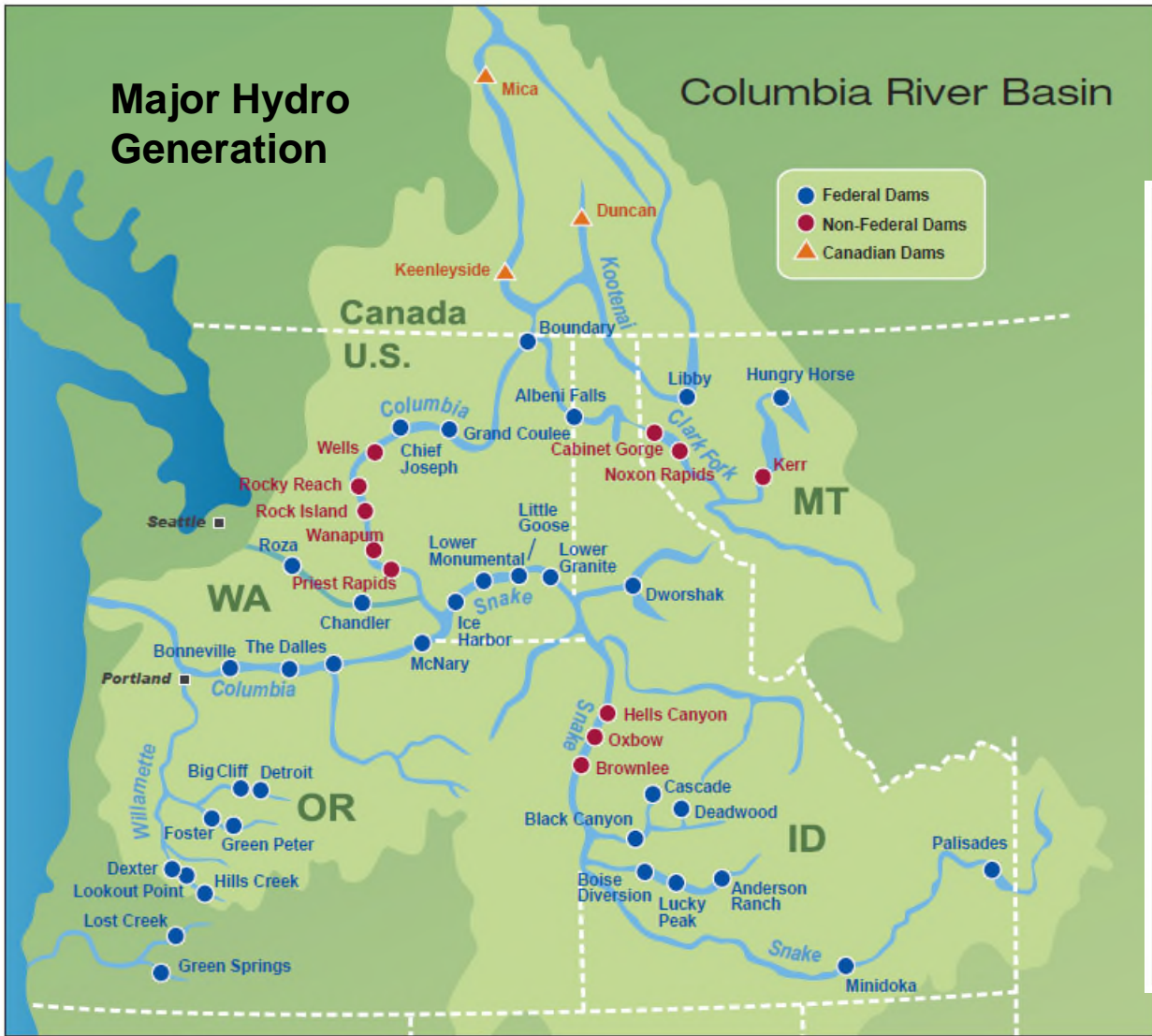
Figure 8 Generating Resource Changes by 2025



# Trends and Factors for the Future

- ▶ Market Expansion - and Market Prices Remain Low
- ▶ Prices Dropping for New Renewables and Battery Storage
- ▶ Slow Traditional Load Growth - in part from Efficiency
- ▶ New Load Profiles incl. Data Centers & Crypto Currencies
- ▶ Potential Capacity Deficits
- ▶ EV and Electrification
- ▶ Consumer Choices: use options, suppliers, distributed gen
- ▶ Other Emerging Tech and Grid Modernization

# Major Hydro Generation



Changing the Discussion...

# The Willamette Basin



# At the Crossroads: Getting from here to there for BPA contracts post-2028

Policy for BPA - Meanwhile, Customers Determining Their Own

'19-'20?  
Define objectives, strategy, Customer Proposals...

Products

Define actual power products and non-fed options

Contracts and Rates

Negotiate Contracts, Determine Rate Methodology

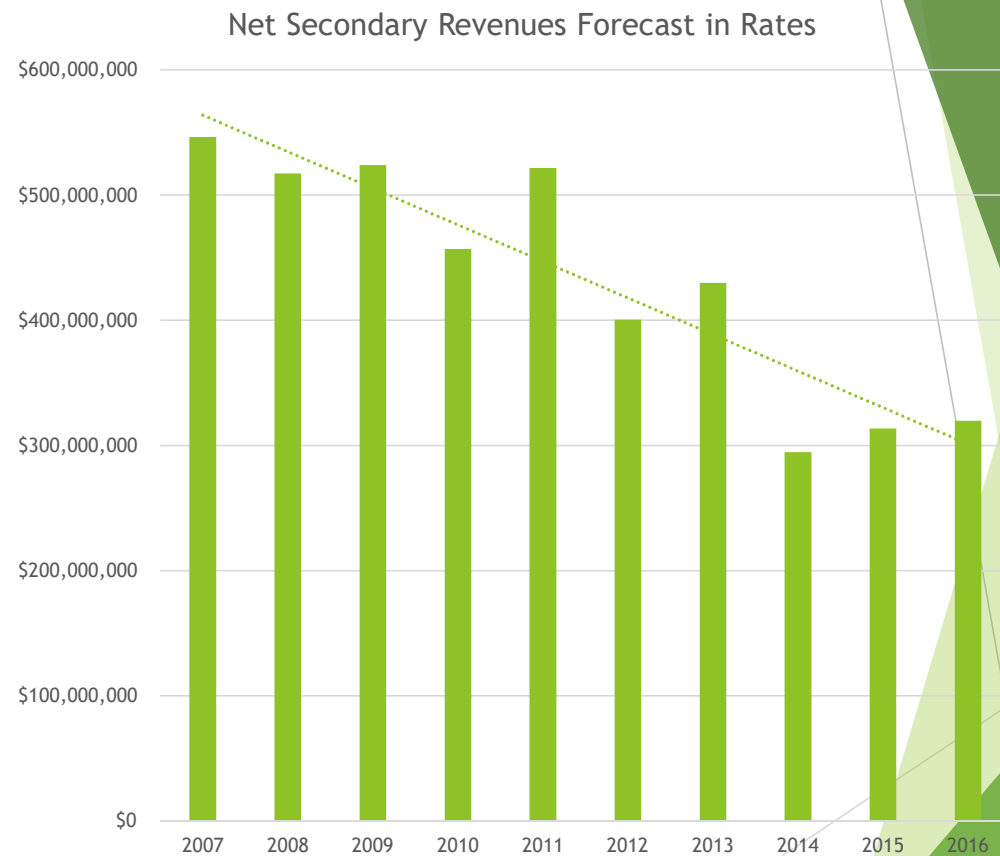
Marketing/Offers

Offerings of contracts - 2024 or 2025 or earlier, later??



## BPA Revenue Issue

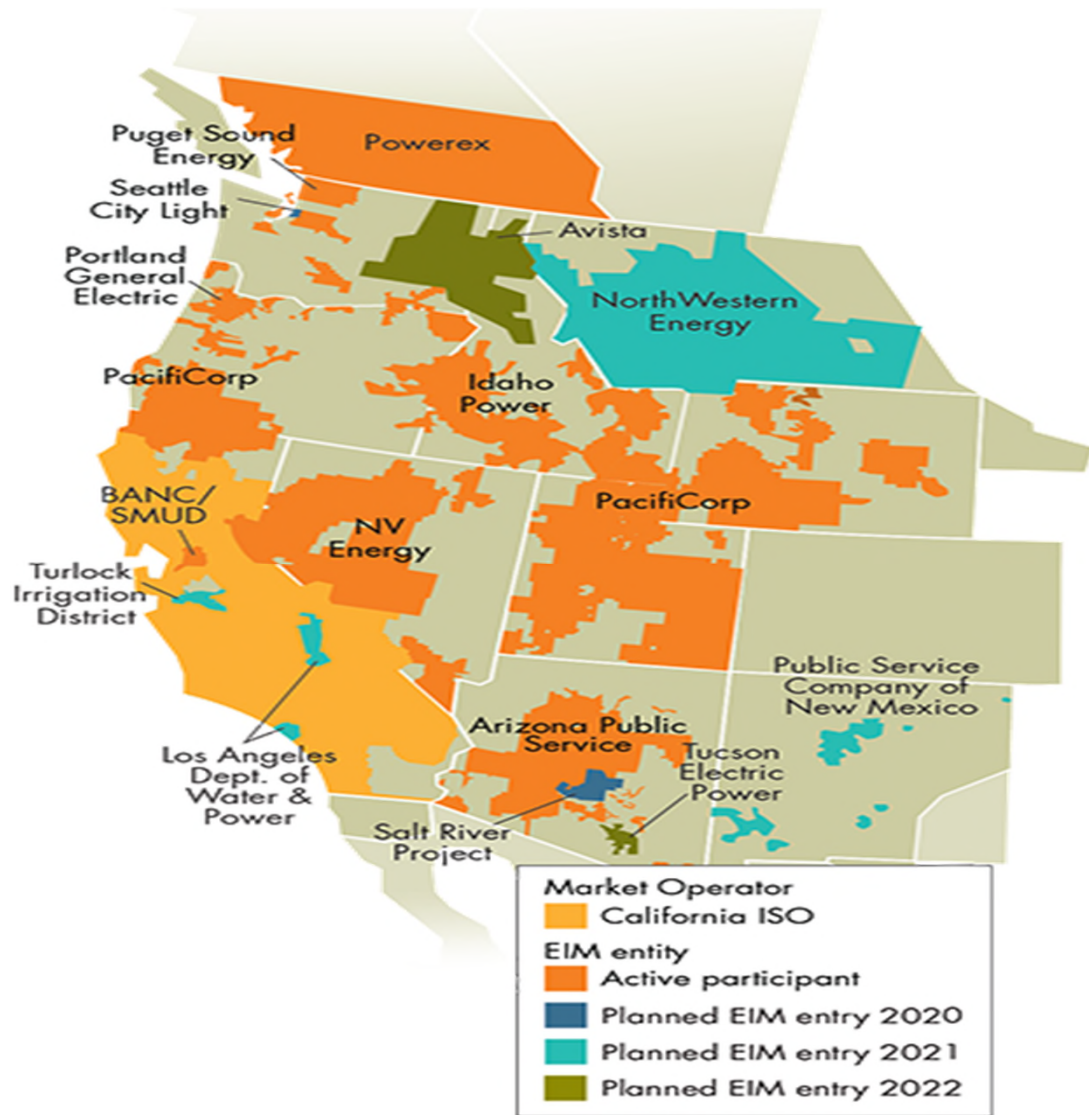
- ▶ Uncertainties in BPA costs and revenues in the next 10 years
- ▶ Last BPA projection showed a nominal rate of \$42.68 per MWh in FY 2030
- ▶ BPA has reduced some costs but secondary revenues have declined
- ▶ Combination of new renewables and gas prices, and load decline
- ▶ Still a very significant credit against rates though



# Revenue and Generation Opportunities?

- ▶ Emerging opportunities?
- ▶ Energy Imbalance Market
  - ▶ Attempt to optimize within hour variability
  - ▶ One avenue for some unused system flexibility
- ▶ New Capacity Products?
  - ▶ CAISO day ahead; Others?
- ▶ Greenhouse gas pricing?
- ▶ Columbia River Treaty - Future Generation Potential





## Education and Training for an Evolving Workforce



- All Employees
- Accounting & Finance
- Administrative Professionals
- Customer & Energy Service
- Engineering
- Environmental
- Human Resources
- Information Tech
- Leadership
- Operations

[www.nwppa.org](http://www.nwppa.org)



Always challenges, always risk, but public power is up to the task.

**MORE POWERFUL TOGETHER**

Local Innovative Expert Driven

Questions?

