



EUGENE WATER & ELECTRIC BOARD

**INTEGRATED ELECTRIC RESOURCE
STRATEGY**

2006 IMPLEMENTATION PLAN

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2006 Integrated Electric Resource Strategy Implementation Plan

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2006 Integrated Electric Resource Strategy Implementation Plan

I. Introduction

Long Term Resource Policy Objectives. In December 2004, the EWEB Board adopted the 2004 Integrated Electric Resource Strategy and Action Plan. This 2004 IERP Strategy is guided by the following Board-adopted electric resource policy objectives:

- We will ensure that our products and services are affordable and competitive.
- We will be responsive to our customers and owners.
- We will demonstrate environmental stewardship.
- We will maintain our long-term vision within the near-term decision context.
- We will make continued progress toward a sustainable energy future.
 - Systematically increase the portion of our energy supply portfolio made up of sustainable resources by at least meeting our projected system load growth with new renewable and demand-side resources.
 - Systematically reduce the environmental impacts associated with the remainder of our power supply portfolio and seek opportunities to leverage development of additional sustainable resources.
- We will strive for flexibility and diversity in our portfolio.

The 2005 IERP Implementation Plan. During 2005, the Power Resources Division staff developed a draft IERP Implementation Plan which - using the 2004 IERP Strategy as a foundation – prioritized and described a set of action items necessary to implement the 2004 IERP Strategy. Most of these action items are identified in the 2004 IERP Strategy, and several new ones were added during the development process.

In addition to the draft Implementation Plan, an Implementation Team and IERP Steering Committee were formed and a review and oversight process was defined and instituted.

Consistency with NW Power Plan. Since adoption of the 2004 IERP Strategy, the Northwest Power and Conservation Council has published its Fifth Northwest Electric Power Conservation

Plan. The key policy issues and drivers identified by the Council as having potential to significantly impact the local, regional and national energy environments are the same issues identified in EWEB's 2004 IERP Strategy. In addition, action items in the Power Plan recommended by the Council for regional implementation are consistent with the action items described in EWEB's IERP Implementation Plan.

The 2006 IERP Implementation Plan. Based on further review and using input from the IERP Steering Committee, the 2006 IERP Implementation Plan has been prepared and provides the following:

- a prioritized summary of the 2006 IERP Action Items, related work tasks, and 2006 budget assumptions;
- detailed scope statements for each Action Item; and
- a summary review of progress on the action items in 2005.

Goals for the 2006 IERP Implementation Plan. The goals supporting the 2006 IERP Implementation Plan are:

- Acquire generating and demand-side resources in a timely manner that adequately prepares EWEB for future uncertainties,
- Be thorough and comprehensive in minimizing inefficiencies in operation of EWEB generating resources and implementation of conservation, and
- Be proactive and provide strong leadership in ways to minimize risks to the community from climate and greenhouse gases impacts, and oil and gas depletion.

These goals are intended to provide a framework for the action items that comprise the 2006 Implementation Plan. Progress on the goals will be reviewed and measured during 2006.

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II. 2006 IERP Action Items and Work Tasks

Following is a prioritized list of the 2006 IERP Action Items and related work tasks. Refer to Attachment A for detailed scope documents on each Action Items.

A. 2006 IERP Implementation Management

- Complete and maintain IERP Implementation Work Plan
- Support Steering Committee
- Conduct quarterly IERP strategy assessments
- Develop updated strategy and action plan recommendations

B. Project Evaluation Process / Template

- Determine resource project evaluation criteria / parameters
- Develop evaluation process and template

C. Lost Opportunity Resource Acquisition

- Assemble “short list” of candidate resources
- Conduct site visits of candidate resources
- Complete financial assessments of candidate resources
- Complete environmental assessments for candidate resources
- Complete final recommendation

D. Demand Side Management Program Review

- Hire DSM Resource Assessment consultant
- Complete comparative assessment of EWEB DSM programs
- Develop plan to revise and restructure DSM programs
- Budget for program and staff changes commencing in 2007

E. Portfolio Performance

- Define Resource Performance Measures
- Define Resource Performance Assessment Process
- Define, assess existing portfolio performance
- Calibrate tool for evaluating resource performance

F. Resource Acquisition Financing Strategy

- Determine resource financing options and constraints

G. Electric Resource Environmental Impact Analysis

- Develop resource environmental impact assessment process
- Assess resource environmental costs

H. *Monitor and Influence Regional, National Energy Issues*

- Review and refine scope of EWEB regional involvement
- Review and revise related staffing assignments
- Fill approved staff position
- Monitor / influence regional energy issues
- Develop strategies for influencing high-priority regional issues
- Participate in BPA power function review

I. *Distributed Generation Plan Development*

- Review, revise DG Business Plan
- Define DG policy requirements
- Develop policies to support current application needs

J. *Electric Resource Climate Change Impact Analysis*

- Review applicable regional work
- Define ways (“physical dimensions”) in which EWEB resources could be affected by climate change
- Assess implied obligations under Mayor’s Climate Change Agreement
- Define potential load impacts due to 2 – 4 degree F average temperature shift
- Continue participation on Governor’s Carbon allocation Task Force

K. *Demand Response Program Review and Development*

- Continue development of internal DR capability, expertise
- Clarify DR options, success criteria
- Coordinate with Meter Program work, AMR work
- Refine DR support systems
- Develop 2006-07 DR Program Implementation Plan

L. *IERP Implementation Communication Strategy*

- Develop and finalize IERP Communication Plan (identify basic approach, messages, target audiences, communication methods and mediums)
- Review community interest (obtained from communication efforts)
- Monitor feedback
- Consider customer survey

M. *Transmission and Distribution Efficiencies*

- Complete 12 month pilot demonstration and load research projects
- Complete transformer loading analytical tools
- Develop analytical tools per NEEA Initiative requirements (Utility Benefits Calculator, Utility Decision Making Tool)