

PNGC Power Pulse

October 2018

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Northwest Treasures

As stewards of the environment, we take the natural world we live in very seriously. As energy providers, we're focused on meeting the energy needs of our members in the lowest-cost, most efficient manner. In the Pacific Northwest we're fortunate because we benefit from a clean, carbon-free hydropower system that is the backbone of our economy. Hydropower accounts for nearly 60% of the energy produced in the region, and because it's a flexible baseload resource, it allows for the integration of variable renewables, like wind and solar, onto the grid.

The heartbreaking story this past summer of an orca mother pushing her dead calf around the waters of the Puget Sound for over two weeks reminds us of our responsibility to the natural world. As beneficiaries of the Federal Columbia River Hydropower System, we have a responsibility to arm ourselves with the facts associated with the demise of the Southern Resident Killer Whales, which are iconic to our region, beloved by all, and need our help.

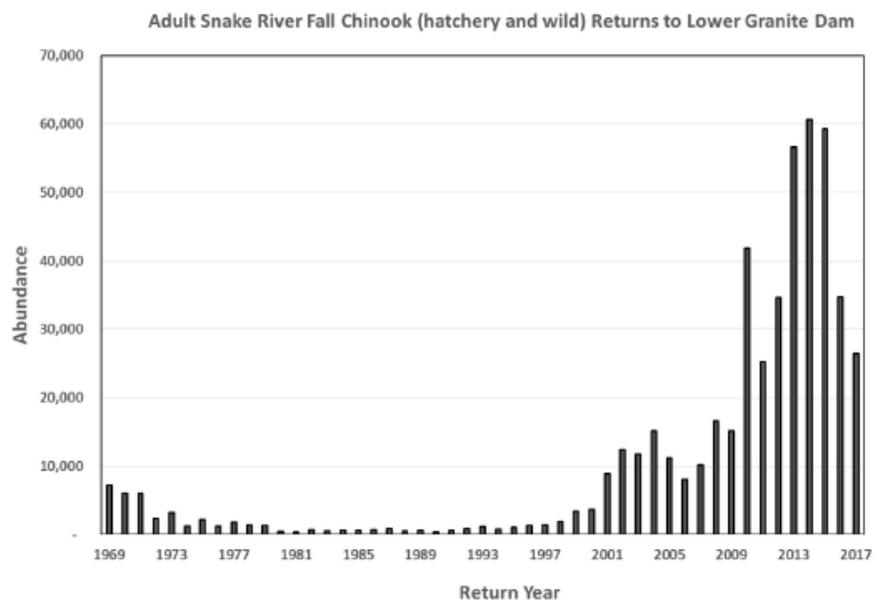
Federal scientists at the National Oceanic and Atmospheric Administration (NOAA) are striving to better understand what is going on with the orca pods, and part of that is to delineate which salmon populations are feeding which orca pods at any given time of the year. According to NOAA, the pods that ride along the western coast of British Columbia, Washington, Oregon, and California feed on two types of salmon species that travel out to the ocean from the Columbia and Snake Rivers. Fortunately, we see returning salmon numbers in these particular rivers increasing, and according to NOAA, over the past 20 years an estimated 75-80% of Chinook salmon survive through the four lower Snake River dams. Natural survival would not total 100% even in an undammed river, so these robust salmon numbers show that the fish and wildlife mitigation measures



employed by the Bonneville Power Administration and funded by Northwest electric ratepayers at the federal dams are working.

The plight of the orcas has reinvigorated the debate in the region over the value of the federal hydropower system. Advocates for dam breaching are pointing to the orcas as a reason to remove the region’s largest, renewable, non-carbon emitting power resource. Unfortunately, they are not taking into account other factors such as ocean conditions, vessel traffic noise, and other habitat issues, such as the fact that returning salmon in the Puget Sound are found to carry high levels of contaminants ranging from prescription drugs to antibacterial compounds that make their own populations unstable. They aren’t taking into account the environmental footprint associated with the energy resources needed to take the place of clean hydro if it were no longer available. There are a multitude of factors, and we need a comprehensive approach if we hope to affect positive change.

Orcas need healthy salmon in order to survive. The Columbia and Snake Rivers provide critical sustenance for the pods as they make their way north and into the Puget Sound. They also provide carbon free, reliable, low-cost energy that fuels our member-owners at the end of the line. As stewards of the environment we will continue to work toward solutions that balance the dual priorities of environmental responsibility and meeting the energy needs of our members in the lowest-cost, most responsible way possible.



Combined hatchery and wild Snake River fall Chinook salmon returning to Lower Granite Dam, the uppermost of the four lower Snake River dams. From Idaho Department of Fish and Game, through U.S. v. Oregon Technical Advisory Committee.

2018 PNGC Power Annual Meeting

PNGC Power held its Annual Meeting October 1 and 2, at the Hotel Eastlund in Portland. This annual event brings together members from all of PNGC’s cooperatives, and gives them a chance to discuss relevant topics and spend time with one another in Portland.

This year’s agenda was packed with dynamic speakers. The day began with Bryan Hannegan, who is the CEO of Holy Cross Energy in Colorado, offering his insights into navigating an uncertain energy future. That was followed with a lively panel conversation with distinguished senior statesmen, the Honorable Norm Dicks and the Honorable Doc Hastings. PNGC’s Ashley Slater moderated the conversation that moved from memories of politics past to contested current events. “It was so great to get their perspectives on these topics and remind people that bipartisanship can work,” said Slater.

The afternoon brought updates from Elliot Mainzer, BPA Administrator, and Terry Flores, Executive Director of Northwest RiverPartners, talking about tough topics in the industry. And the day finished with Kirk Johnson, NRECA’s Senior Vice President of Government Relations, as he gave a lively talk about the implications of the upcoming midterm elections.

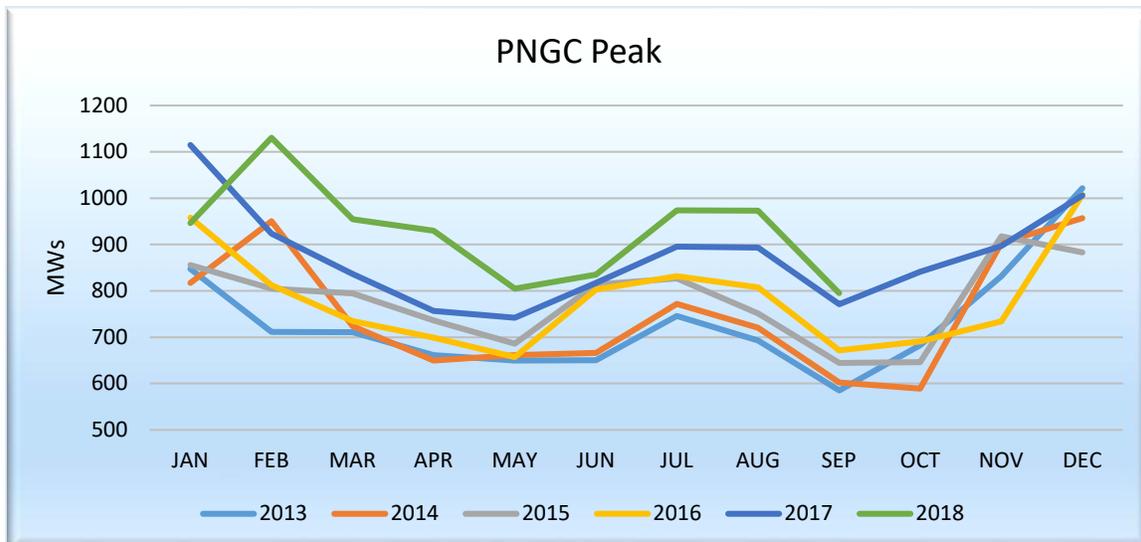
“We had a great line-up of speakers and wonderful planning on the part of staff,” said Greg Delwiche, PNGC Power’s Interim CEO. “It made for a memorable event that I think the members really enjoyed.”



Ashley Slater leads the Honorable Doc Hastings (L) and the Honorable Norm Dicks (R) in a rousing bipartisan discussion

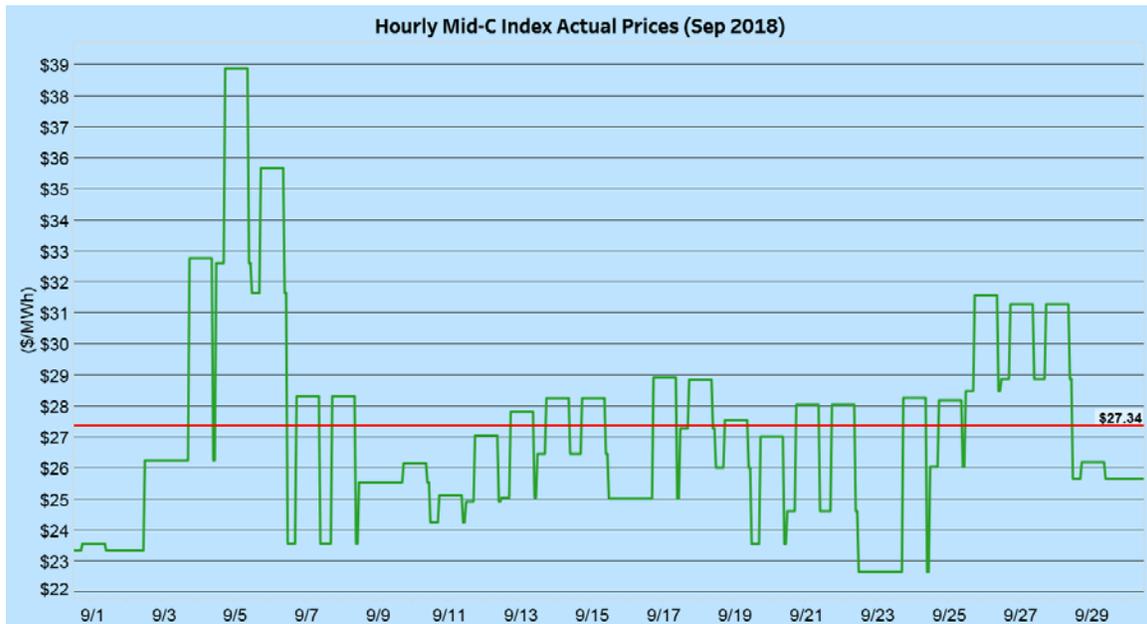
PNGC Peak

The graph below shows PNGC Peak for the past 5 years



Mid-C Pricing

The graph below shows Mid-C Pricing for the month of September 2018



BPA Happenings

- Oct. 25 BP-20 and TC-20 Scheduling Conference
- Nov. 7 Quarterly Business Review

Upcoming PNGC Events

- Nov. 6 PNGC Board Meeting
- Nov. 22-23 Thanksgiving & Day After Thanksgiving (office closed)
- Dec. 4 PNGC Board Meeting & Holiday Dinner
- Dec. 7 PNGC Staff Holiday Lunch (office closes early)



About PNGC Power:

PNGC Power is a Portland-based electric generation and transmission (G & T) cooperative owned by 15 Northwest electric distribution cooperative utilities with service territory in seven western states (Oregon, Washington, Idaho, Montana, Utah, Nevada and Wyoming). The company creates value for its member systems by providing power supply, transmission, and other management services. PNGC Power is an aggregator of geographically diverse loads in the region.

Editor/Writer: Andrew Barter
 Contributing Editor: Ashley Slater

711 NE Halsey St.
 Portland, OR 97232
 (503) 288-1234
www.pngcpower.com