



5th External TAG Meeting

Date & time: 12/21/2017, 09:00 AM – 10:00 AM

Location: CNGC Kennewick GO

Presenters: Mark Sellers-Vaughn, Brian Robertson, & Devin McGreal

In attendance: Mark Sellers-Vaughn, Deborah Glosser – OPUC, JP Batmale – OPUC

Called in: Devin McGreal, Brian Robertson, Carolyn Stone Jeremy Ogden, Eric Wood Mike Parvinen, Bruce Folsom, Mike Clapp, Isaac Myhrum, Jay Story - GTN

Minutes by: Carolyn P Stone

Mark Sellers-Vaughn started out the meeting by stating that the goal for the day was to go over Staff comments and provide clarifications and answers to questions. He said there is no “set agenda” just review of comments. He also thanked Staff for providing good comments!

Section 3 - Demand Forecast:

- Brian asked if there will be Data Requests (DR's) to respond to now or after the final filing?
 - Deborah stated that there will be some general questions now and likely DR's after the official filing related to load predictions and how the factors differ.
- Mark asked, “DR's after the final filing?”
 - Deborah answered “yes”. It is an attempt to get clarifying information only.
- Brian asked Deborah if, on Question 1, she meant commercial vs industrial (rather than corporate, as it states in the question)?
 - Deborah answered “Yes!”
 - JP said that in the past DR's go back and forth to clarify questions, it's not a “knock or ding” for CNGC. It takes 10 business days to negotiate once the IRP is filed. We are trying to get DR's out to you in time!
- Brian asked about the stochastic parameters, related to the Monte Carlo runs.
 - Deborah said regarding the number of Monte Carlo runs selected, paths of distribution determines the input. She said that using a deterministic rather than a log normal distribution can distort data.
- Brian stated that there will be more language about this subject put into Section 3.
- Deborah asked why 200 runs, is this industry standard or are there other reasons?
 - Devin answered that their consultant, Jeff Baker, recommended 200, as in his experience this is a representative sample, considering the time needed for the runs, etc. Above the standard 200 “hazards” using price and weather stochastics, we would need to do 40K runs. This would be outside the time horizons and representative data.

- Deborah asked is 200 draws enough to get the information you want, and will the IRP explain the rationale behind this? More than 200 runs are not necessary but the reason why 200 we will want to talk about.
 - Mark said that Avista also uses 200 runs.
 - Deborah said she will ask Lisa about this. The Principle Component Analysis has more runs. Is this an appropriate number of runs and how to determine this? We need a little more than “someone advised us 200 runs is a good number.”

Section 4 - Supply Side Resources:

- Brian went over question 1 and asked what Staff meant about “peak cooling days”. He stated that there is no relevant cooling demand...no peaking demand for cooling for CORE customers
 - Mark added that there is not a spike in demand during the summer only.
- Regarding question 2, Brian answered as to how the word “consider” is used. He stated that they are getting information and modeling it to see if the Sendout model would choose the option or not. There is no additional storage being negotiated.
 - Deborah mentioned specifically Page 1.5 of the IRP. Does Cascade consider alternate resources like Mist, etc and other alternatives for Natural Gas storage. There is some confusion between resource deficiency and load resource balance figures and resource alternative additional conservation and incremental storage alternatives.
 - Devin said there was a resource deficiency in 2014. We addressed the problem by letting the Sendout model consider all alternative resources. Additional storage options were ordered to evaluate the shortfall in Oregon due to deficiencies in the prior IRP.
 - Deborah said we want to make sure we’re all on the same page...i.e. if resources are needed or is it just because the Commission told you to look at them?
 - Mark stated that due to shortfalls in the IRP they modeled 5 to 6 difference storage options. None were cost effective or reliable. Ryckman Creek, for example has filed bankruptcies and has other liabilities – it is not a reliable resource. We can expand on this discussion...?
 - Deborah said that, in the next draft, they will send out a DR on this topic to get it on the record.
 - Mark said it seems like you want more detail on the analysis of alternative resources.
 - Deborah said information on the resources recognized and evaluated mainly.
 - Devin stated that Sendout allows you to test all alternative resources at the same time to gain the optimal solution. He said we could add language to make sure it is clear that storage alternatives were looked at.

Section 5 - Avoided Costs:

- Brian stated that all action items are being worked on.
- Deborah said that the resources are excellent here and well addressed.

Section 6 (skipped) - Demand Side Management and Environmental Policy:

- Brian said we will have a 2nd meeting on this topic when Allison Spector and the “ETO” representative can be here.

Section 7 – Resource Integration:

- Devin said that this discussion is similar to the item 1 issue of 200 draws – why 6 portfolios tested? He went on to say that this was used to get a good representation of what’s available of different options.
 - Deborah said that she might contact Devin for further discussion via phone.

- Brian stated that they had many discussions on how to do this, however are open to other ideas.

Section 8 – Distribution System Planning:

- Brian asked what is meant by “Internal Risk Modeling”?
 - Deborah stated that CNG filed a Safety Plan through “Triage Risk”. She asked was this level of analysis done on the IRP and if not, why?
- Jeremy asked is “Integrity Management” what you want?
 - Deborah answered “Yes”.

End of meeting discussion:

- Brian said that was it for today for the OPUC comments, but we welcome any other questions or concerns regarding the Draft IRP!
- Deborah and JP indicated that there was lots of good work in this!
- Mark Thanked Deborah for her patience!
- Deborah said she thinks Mark’s group is doing great!
- Mark said there may be a hill to climb after 2024, so.....and then asked how many hard copies Deborah’s group needs?
- JP teased “106 on a pallet”, but then said no more than 5!
- Mark asked to please make sure we know before publishing!
- Mark also asked Deborah if they want a redlined and integrated final?
- Deborah said to send electronically and send a redline copy as well.
- JP thanked everyone!
- Deborah said she is looking forward to the final draft and addressing any questions.