

John Prescott
March 2015

John Prescott is the President and CEO of PNGC Power in Portland, Oregon. He is responsible for leading and managing all activities associated with delivering reliable and low cost electricity to PNGC Power's 14 member cooperatives located in seven western states. John also serves as the **Executive Vice President and General Manager of Power Resources Cooperative.**

Prior to being named President and CEO of PNGC Power, John was the Senior Vice President of Power Supply at PNGC Power. Mr. Prescott previously served as the Power Supply and Environmental Affairs Officer at Seattle City Light where he managed 1,200 MW of generating assets as well as conservation, commercial and environmental operations. Prior to Seattle City Light John spent 23 years with the Idaho Power Company in various positions, the most recent as Vice President of Power Supply where he managed 3,000 MW of hydro and thermal generation and associated energy planning and marketing functions. He has 33 years in the electric utility industry. John is a registered professional engineer in most western states. In addition to a B.S. in general engineering from Idaho State University, he holds an M.S. in electrical engineering from the University of Idaho, has done post graduate work in energy studies at the University of Wales in Cardiff, UK and has completed the Advanced Management Program at the Harvard Business School in Boston.

John grew up in the Blackfoot area of eastern Idaho. He enjoys hiking and kayaking in the Columbia River Gorge. He currently serves on the Board of Directors of the Oregon Trail Chapter of the American Red Cross. John and his wife Patti (a registered nurse) and their Beagle named Toby live in Stevenson, WA.

Dan James
March 2015

Dan James is Vice President of Public Affairs & Marketing of PNGC Power in Portland, Oregon, a position he has held for nearly eight years. He has more than 28 years of experience working in government affairs in Washington, D.C. and the Pacific Northwest. He currently leads the government affairs team of the **Columbia River Treaty Power Group**, an organization of over 80 utilities and related groups engaged in matters related to the Treaty. Prior to being named to his current position with PNGC Power, Dan was Senior Government Relations Specialist at Ball Janik LLP. Prior to joining Ball Janik in 2000, he represented the Pacific Northwest Waterways Association (PNWA) as the Federal Affairs Representative, a position he established.

A native of Kalispell, Montana and the only member of his immediate family who is not a music teacher, Dan began his career by serving on the Washington, D.C. staff of former Representative Les AuCoin (D-OR), followed by work in development and public affairs at Pacific University. He graduated from Pacific with a Bachelor of Arts degree in political science with minors in History and Peace and Conflict Studies.

Dan and his spouse Becky live in Northeast Portland with their two teenage daughters. He was the 2009-10 chair of the Board of Directors of the United Way of the Columbia-Willamette and is a senior fellow of the American Leadership Forum-Oregon. He chaired the 2014 Annual Giving Campaign at Portland's Trinity Episcopal Cathedral, and is currently on hiatus from the Cathedral Choir. He currently serves on the Board of Trustees of Pacific University and the Board of Directors of the Pacific Northwest Waterways Association, the Oregon Wave Energy Trust and the Pacific Youth Choir.



PNGC Power

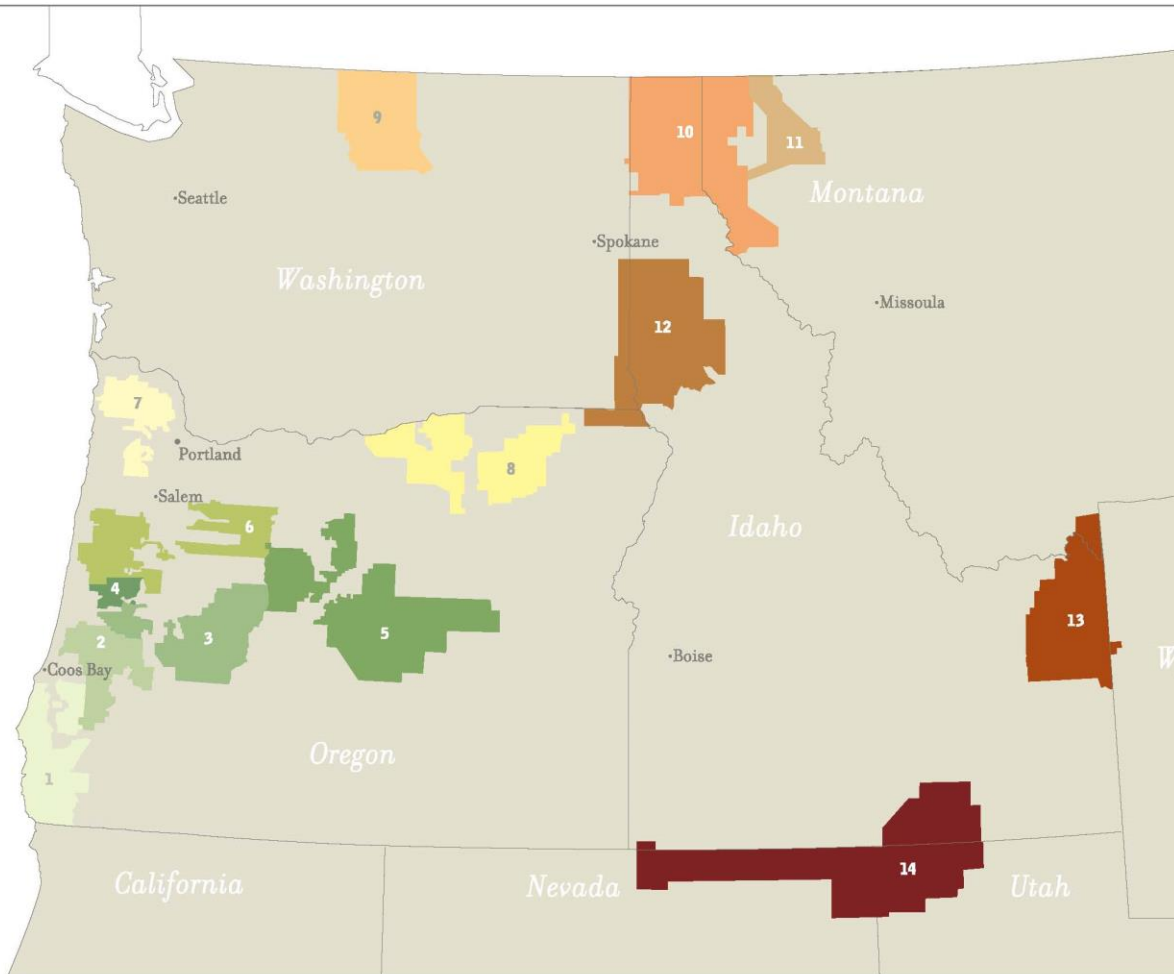
Orcas Power & Light Cooperative

March 19, 2015

John Prescott
Dave Sabala
Dan James

Overview

- **What is PNGC?**
- **What could it provide to OPALCO?**
- **Discussion**



PNGC Power Member Utilities

- | | | |
|-------------------------------|-------------------------------|--|
| 1. Coos-Curry Electric Coop | 6. Consumers Power Inc. | 11. Lincoln Electric Cooperative, Inc. |
| 2. Douglas Electric Coop | 7. West Oregon Electric Coop | 12. Clearwater Power Company |
| 3. Lane Electric Coop | 8. Umatilla Electric Coop | 13. Fall River Rural Electric Coop |
| 4. Blachly-Lane Electric Coop | 9. Okanogan Co. Electric Coop | 14. Raft River Rural Electric Coop |
| 5. Central Electric Coop | 10. Northern Lights, Inc. | |

**PNGC Power is a
Generation &
Transmission
Cooperative
based in Portland, OR**

**550 aMW
Over 1100 MW peak**

PNGC is a...

- Not-for-profit cooperative
- Preference customer of BPA
- Provider / Aggregator of wholesale power
 - Provide value / advantage to our members
 - Large enough entity to do deals
- Joint Operating Entity (JOE) under the NW Power Act
 - Benefits of being a JOE
 - Advantage for resource delivery – one customer, multiple points of delivery
 - Aggregate members' loads and resources
 - Leverage opportunities and more accurately manage and forecast

PNGC Provides...

- Pool operations
- Power supply planning /development/ operations
- Energy efficiency support
- Member generation projects (e.g., local generation projects)
- Regulatory Compliance & Requirements
- New member loads
- Monthly BPA bill checks (power & transmission)
- Legislative & Public Affairs
- Communications & Marketing
- BPA Policy Issues & Forums
- Litigation and legal support
- Member relations
- Board functions & operations
- Smart Grid support (Participating Members)
- Provide master agreements for consulting services

PNGC Membership and Board

**“Like-minded” electric
cooperatives in the BPA
“footprint”**



Board Committees as needed

- Solar PV
- Demand Response

Embracing and preparing for change

The PNGC Business Model

- **Partner with BPA**
 - Tier 1 (direct pass thru to member)
 - Some Tier 2
- **Ownership of generating resources**
 - Ownership vs market (BPA limitations)
 - Ownership at the proper time
 - Take advantage of current market conditions
 - Coffin Butte landfill gas and PV solar
 - Especially at the end of the BPA contract (2028)
 - The Federal Base System has “shrunk”
 - Fish constraints and other reasons
 - This will force more utilities above Tier 1
- **Provide Services approved by the Board**

PNGC value proposition

- Generating resource ownership
- Market management
- Demand pooling
- Energy Efficiency pooling
- BPA watchdog
- Board approved services
- Insurance / hedge
- Two FTEs plus

Choices for Electricity Generation

