

Appendix A – Public Involvement Process for the 2008 IRP

As a municipally-owned utility that provides an essential public service, Seattle City Light plays a significant role in its community. Seattle City Light incorporates the interests of customers and other stakeholders in its integrated resource planning as an important part of the planning process. This is particularly important because the long-term resource strategy developed in an IRP process seeks to satisfy customer needs and community objectives. Actively involving stakeholders in the IRP process makes it more responsive and meaningful, while promoting understanding and support for specific long-term resource decisions.

The public involvement process for City Light's IRP in 2007 and 2008 has provided opportunities for participation by customers and other local stakeholders, as well as representatives of groups that have expertise on various aspects of the regional electric power system.

Key objectives for public involvement in City Light's 2008 IRP process are:

- Involve customers, regional experts and other stakeholders during the entire IRP process
- Include opportunities for stakeholders to review and comment on various inputs and analyses
- Promote two-way communication, group learning and consensus building.
- Gather, balance and incorporate a broad spectrum of perspectives, ideas and suggestions
- Use multiple communication channels for members of the public to learn about City Light's 2008 IRP process and to provide input

Overview

This appendix summarizes how public input was used in developing City Light's IRP. During 2007 and 2008, input was gathered from the public as well as City Light employees. A variety of methods were used to encourage City

Light customers' understanding and impact on the resource mix selected for the utility's future energy needs. Activities included:

- Two briefings to the Seattle City Council Energy and Technology Committee
- Consultations with the Mayor and Mayor's staff
- Two meetings with City Light employees
- Intranet notification and department notification to individuals
- Five IRP stakeholders' meetings (guests included)
- E-mail notification to public interest groups
- Telephone notification
- City Light web site announcements
- Public meetings in North, Central, and South Seattle
- Community council notification
- Stakeholder members notification
- Newspaper ads
- Newspaper press releases
- Invitations to community groups
- A Light Reading issue, mailed to all customers, inviting attendance and commentary at public meetings
- Mailings to all City Light customers
- An IRP link from City Light's home page to an IRP page with up to date information as well as a dedicated email address for questions, comments and suggestions

The purposes of public involvement were to:

- Gather input about long-term resource choices throughout the process
- Inform stakeholders of the IRP process and ask for input and guidance
- Inform the general public about resource options and gather their comments and questions

- Raise awareness of the importance of long-term planning and City Light's need for additional resources beyond the current resource mix
- To assure the City Council and Mayor that the planning was not done in isolation

Ultimately, the goal of City Light's public involvement program for the IRP was to help staff and elected officials make the best decisions with the public's best interest assured. Seattle City Light's web page, and public meeting schedules were advertised, and the public could choose to view any of the materials from any of the meetings.

PowerPoint presentations are available online at by visiting the IRP webpage, <http://www.seattle.gov/light/news/issues/irp/>.

Each of the major types of public involvement – the stakeholder group and public meetings – is described below.

Stakeholder Group

One of the primary vehicles to promote broad public involvement in City Light's 2008 IRP was created by forming and working with an IRP Stakeholder Group. The IRP Stakeholder Group's diverse membership provided a forum for in-depth participation throughout the IRP process. The Stakeholder Group includes representatives of City Light's retail electric customers, other local stakeholders, and experts drawn from groups active in regional energy issues.

Mayor's Office staff and City Council staff were invited to attend and participate in group meetings. These group meetings were open to the public and announced in advance. The meetings were designed so that City Light staff could work directly with the IRP Stakeholder Group. Each meeting typically began with City Light staff presentations on one or more topics, followed by group discussion. The IRP Stakeholder Group is a valuable source of ideas and suggestions, but does not have formal policy-making responsibilities.

Stakeholders

Members of the Stakeholder Group and their affiliations:

Steven LaFond, Boeing

Stuart Clarke, Bonneville Power Administration

Vita Boeing, Residential Customer

Tom Eckman, Northwest Power and Conservation Council

Danielle Dixon, Northwest Energy Coalition

John Chapman, University of Washington

Steve Grose, Virginia Mason Medical Center

Craig Gannet, Davis, Wright, Tremaine LLP

Rod Kaufman, Building Owners and Managers Association

Dr. Jennifer Sorenson, Seattle University

Tom Crowninshield, LaFarge Cement

Steve Butler, City of Seatac

John Schelling, City of Seatac

Robert Cowan, Fred Hutchinson

Staff participants:

Dan Eder, City Council Staff

Tony Kilduff, City Council Staff

Alec Fischen, Mayor's Office of Policy and Management

Stakeholder Meetings

Seven Stakeholder meetings were held. Dates and main topics are listed below. More detailed information, including presentation materials, can be found online at <http://www.seattle.gov/light/news/issues/irp/>.

June 26, 2007. The Stakeholder members represent government agencies, environmental organizations, and the residential, commercial, and industrial customers of Seattle City Light. At this first meeting, the Integrated Resource Planning process was discussed and a scope of work was presented for comment. Issues identified in the work plan included the cost of accelerating conservation, research on selected renewable resources, and climate change impacts.

November 8, 2007. The discussions covered the new load forecast, the trend for declining residential consumption per customer, new generating resource costs and attributes and the tasks to prepare a 5-year Plan for conservation. Environmental cost assumptions for five types of air emissions were identified.

January 31, 2008. The resources needed to achieve different levels of resource adequacy (93%, 95%, and 97%) were discussed. It was agreed that the 95% target used in the

2006 IRP would be retained. In addition, assumed limits on the amount of specific renewable resources to be allowed in the resource portfolios were considered. The strategy for first round resource portfolios and potential scenarios to test Round 2 portfolios were identified. Also, Dr. Vladimir Shepsis presented the results of his study of tidal and wave energy resources.

April 10, 2008. The meeting began with a discussion of the characteristics of the AURORA_{xmp(r)} model used for evaluating resource portfolios. The modeling results for five Round 1 resource portfolios were discussed, along with three types of risk measures for each portfolio. Another discussion of scenarios and their design occurred. Lastly, some of the early results of the climate change analysis were reviewed.

June 12, 2008. This meeting focused on the early results for four Round 2 portfolios (a fifth portfolio was added shortly after the Stakeholder meeting discussion). The portfolio modeling results confirmed that the net power costs were not widely dispersed and that no resource portfolio performed at the top of every category, so that tradeoffs were a necessary part of the recommended portfolio selection. The group asked to receive the final results by email, due to group scheduling issues for another meeting. A web address link to the results was delivered by email in early July.

Stakeholder Comments

The following comments were made at the concluding discussion of the June 12, 2008 IRP Stakeholder meeting regarding the specific input that should be provided to the City Council about the 2008 IRP.

- The 2008 IRP Stakeholders support accelerating conservation efforts and a policy of conservation as the “resource of first choice.”
- City Light should continue to investigate the feasibility of relying upon geothermal energy for a significant portion of planned new resources.
- An integrated resource plan is a snapshot in time, based upon the information currently available. With the many uncertainties involved in forecasting and long-term resource planning, the IRP should be viewed more as a flexible plan rather than a rigid schedule. It should

provide policy guidance to decision-makers on the general direction of new energy resources for Seattle City Light.

- Acquisition of renewable resources is expected to be increasingly competitive. City Light needs to be proactive and somewhat opportunistic in the acquisition of renewable resources. Pursuit of opportunities to acquire renewable resources at a competitive cost now is likely to result in lower costs to customers and less difficulty in meeting state regulatory requirements in the future.

Public Meetings

Three public meetings were held. The first was held in the Bertha Landes room at City Hall. The second was held at Warren G. Magnuson Park in North Seattle. The third meeting was held in South Seattle at Rainier Community Center. Available handouts included Fact Sheets and Frequently Asked Questions (FAQs). Participants were informed that they could get the slides from the public meeting presentations online at the IRP website. In addition attendees were asked to vote for their preferred resources and their preferred round 2 resource portfolios, using paper-adhesive dots on poster-sized versions of the relevant PowerPoint slides.

More detailed information, including presentation materials, can be found online at <http://www.seattle.gov/light/news/issues/irp/>.

May 20, 2008. Press releases were issued and newspaper ads were placed inviting participation in the first IRP public meeting. The meeting was scheduled for 6:00 pm to 7:00 pm at the Bertha Knight Landes Room in City Hall. Only City Light employees and an intern attended the first public meeting.

July 10, 2008. Email announcements, newspaper ads, Light Reading (SCL's billing insert) in the June/July 2008 bills, special email invitations to the Stakeholders, and press releases inviting City Light customers to two more public meetings from 6:00 pm - 7:00 pm. IRP Director David Clement gave a PowerPoint presentation on the IRP process and assumptions

leading up to the resource portfolio options. The Round 2 resource portfolios were discussed. After the presentation, attendees were encouraged to ask questions and make general comments about the portfolio options.

July 15, 2008. A mailing list of all email and letter inquiries was activated, inviting all who expressed an interest or made a comment about the IRP; Light Reading (City Light's billing insert) announcement in the June/July issue to all City Light customers; press releases and ads; special invitation to all IRP stakeholders; notification to Community Councils, and ads in community newspapers.

The meeting was held from 6:00 pm - 7:00 pm in the Rainier Community Center. IRP Director David Clement gave a PowerPoint presentation on what was learned from the Round 1 assumptions and portfolios leading up to the two Round 2 portfolios, both of which meet Initiative 937 requirements. Participants were encouraged to ask questions and make comments during the presentation.

Per voting results from the public meetings the most favored resource was conservation, followed by wind, geothermal, and landfill gas. The most favored resource portfolio was P5: High Biomass, Geothermal, and Wind (this also became the recommended resource portfolio to the Mayor and Council). The second most favored resource portfolio was High Wind and Geothermal.

Questions and Comments

Below is a sampling of some of the questions and comments made at the public meetings:

Questions included:

- How much of City Light's existing resource mix is renewable?
- City Light should acquire geothermal sites and other renewable sites now, so that they are available for development at reasonable cost in the future (unsolicited comment).
- Did we underestimate the future electricity demand from the transportation sector? With escalating gasoline prices, people may be converting en mass to electric vehicles.

- Conservation should have some methods to "jawbone" poor performing businesses into doing conservation. This might include advertising those who waste energy.
- Tail-block rates should be used to encourage commercial conservation.
- How often do you update your assessment of conservation potential?
- How much does I-937 affect your new resource targets?
- Do the emissions from portfolios claim a net benefit for exporting hydropower to other regions?
- Why aren't solar resources included in the IRP?
- What do you think about Senator McCain's statement that the country needs nuclear power?
- Wouldn't it be better to have wind in the portfolio earlier, since it is the most available renewable resource now?
- Did you include new electricity demand for electric vehicles in your demand forecast?
- Why doesn't City Light have tidal and wave energy in its IRP? What will it take?
- The Northwest Power & Conservation Council says the region is surpassing its energy efficiency targets from the plan made 4 years ago – is City Light's conservation goal really a "stretch goal"?

Comments included:

- Binary geothermal has lower environmental impacts and should be the preferred type of geothermal resource.
- The City should acquire promising land for wind and geothermal development today so that it is available at lower cost later, when it is needed.
- The accelerated conservation costs look too low and the targets look difficult to achieve.

Correspondence with the Public

Seattle City Light encouraged customers to contact the utility in writing or by phone with comments and questions about the IRP. City Light created a link to the IRP from its main web page.

Below is a synopsis of questions and comments:

- The City should evaluate putting a wind turbine at Interbay Golf Course.
- Does the IRP include voltage regulation as an energy savings measure?
- How much does renewable energy cost in comparison to hydropower?
- Where can I recycle my fluorescent bulbs?
- There is tremendous offshore wind potential on the Central Washington coast. Wave energy devices could be attached on the same tower used to support offshore wind turbines.

Conclusion

Seattle City Light provided several opportunities for the public to become involved including: three public meetings; five stakeholder meetings; letters from interested individuals and groups; and phone calls. City Light's IRP team was open to all comments and suggestions.

A recommended portfolio was not decided until the conclusion of the project in July 2008. Options remained open through most of the integrated resource planning process, allowing public input to continue to have value in shaping analysis and recommendations.

This is the second IRP of a biennial review process for resource planning. Customers will be invited to participate at every step during IRP updates. In addition, all interested parties are encouraged to participate during the City Council review of the IRP. More information about the Council's review can be obtained at <http://www.seattle.gov/council/>. See the Energy and Technology Committee.