



Seattle City Light

2020 IRP PROGRESS REPORT

External Stakeholder Meeting

City Light Integrated Resource Plan Team | November 20, 2020

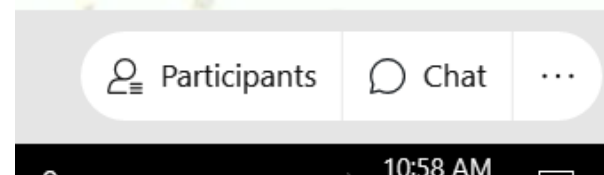
AGENDA

1. Introductions
2. 2020 IRP Progress Report Recap from New IRP Framework
 - Resource Needs
 - Energy Efficiency Implications
3. Action Plans from the Progress Report
4. 2022 IRP Workplan
 - Workplan Schedule
 - Inputs and Sources
5. Wrap Up



MEETING SUCCESS TIPS

- Please mute yourself when you are not speaking
- Use the chat to ask questions or raise your hand in the participant area where your name is listed



- We will also take periodic breaks for questions and discussion
- We will be recording these meeting to make it available if you are not able to participate



RESOURCE ADEQUACY NEEDS – APPROVED 2020 CONSERVATION POTENTIAL PATH, NO NEW SUPPLY

Resource Adequacy Energy Need (aMW)	2022	2024	2026	2030	2034	2038	2040
December	27	38	13	20	5	3	10
January	-	-	-	-	-	-	-
July	156	134	137	146	159	165	177
August	39	25	113	122	147	146	161



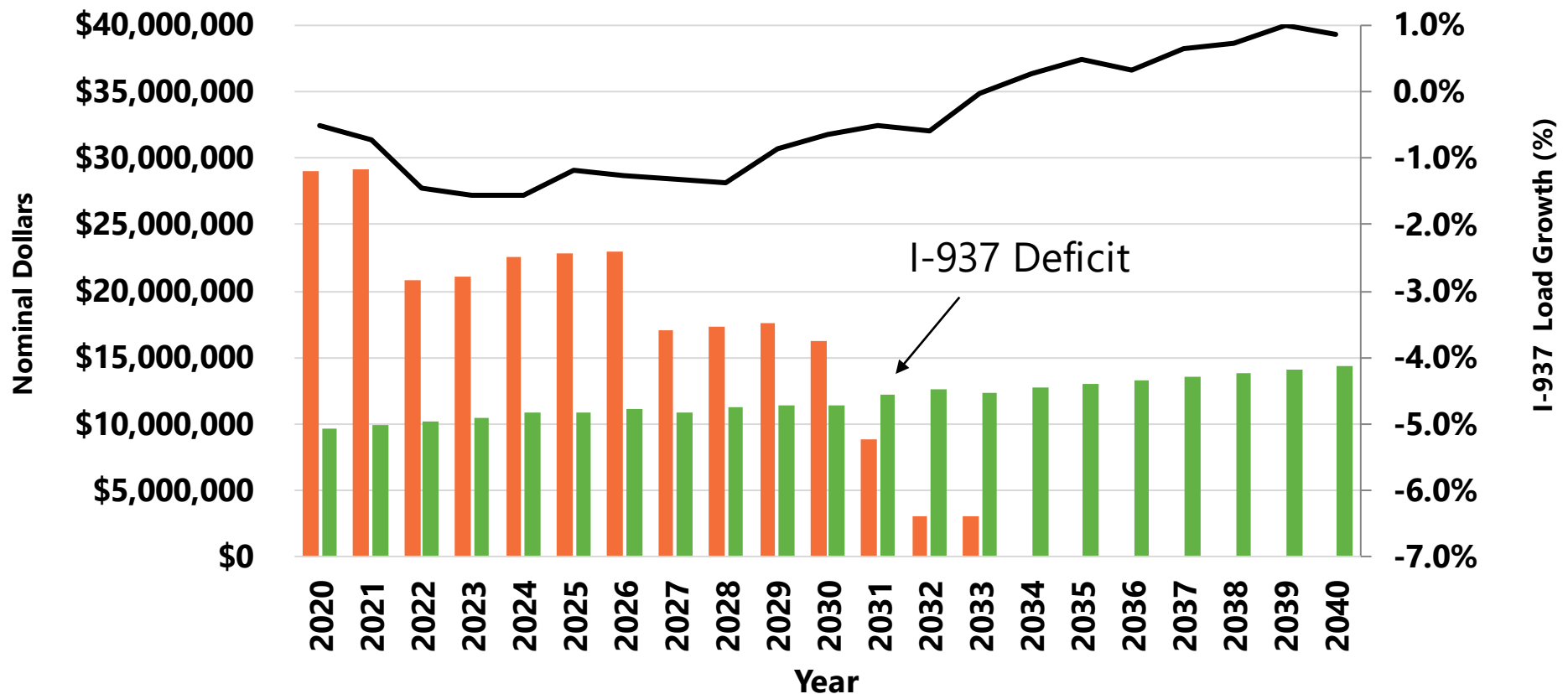
I-937 NEEDS – CURRENT 2020 CPA PATH, NO NEW SUPPLY

Scenario	No Load Growth Until...	I937 Resource Need Starting In...
No Conservation Path	2023	2023
2020 CPA Path	2033	2031
Additional Energy Efficiency	2034	2031



I-937 COMPLIANCE: NO LOAD GROWTH UNTIL 2031

■ SCL I-937 Inventory Cost ■ I-937 1% Retail Revenue Requirement — SCL I-937 Load Growth

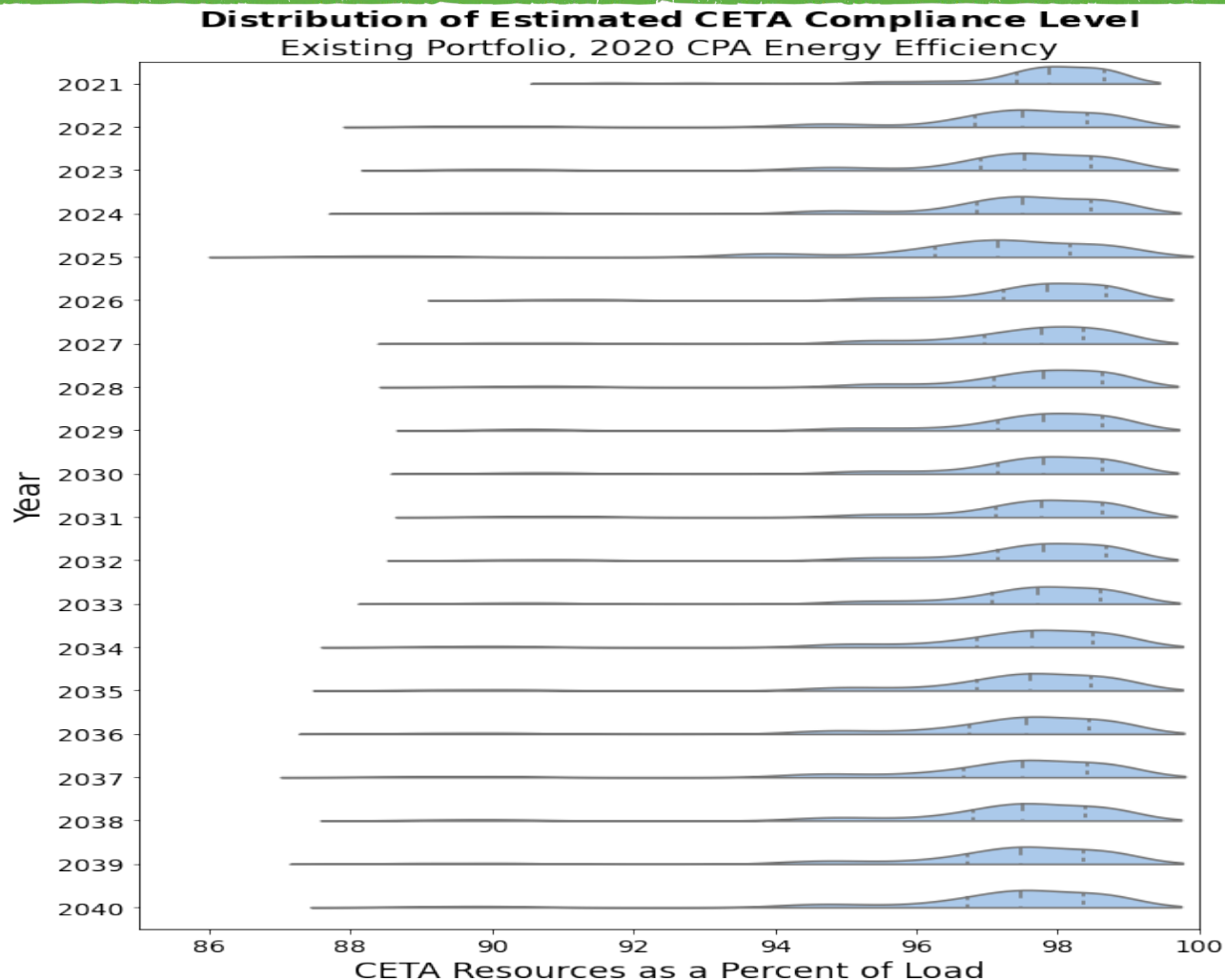


CETA REVISITED: NEXT 10 YEARS

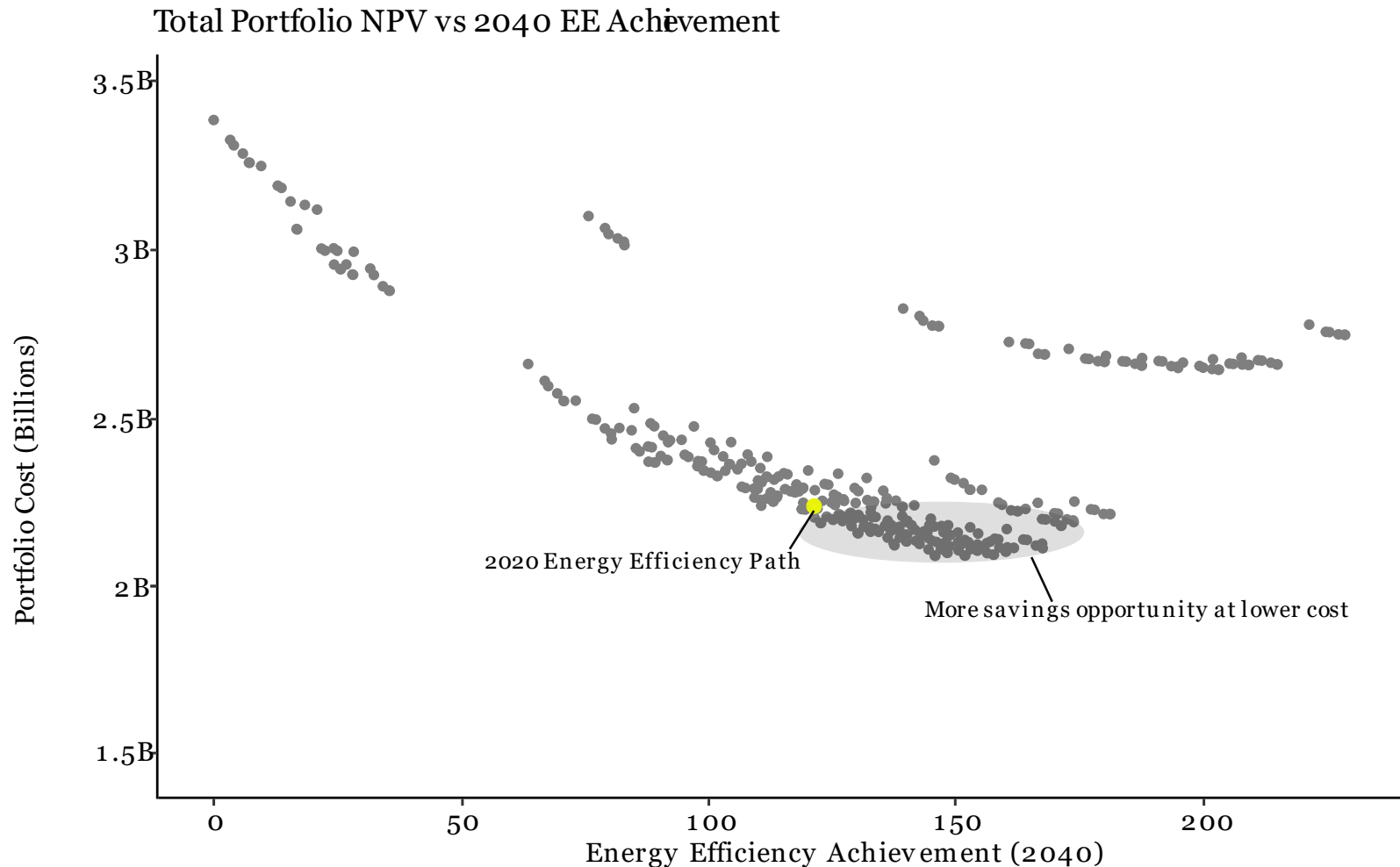
- A WA state utility cannot have coal in its energy portfolio starting in 2026 (except if power purchase agreement < 1 month in duration)
- A WA state utility must be GHG neutral by 2030
 - 80% of a utility's retail electric sales to customers are from either non-emitting or renewable sources;
 - up to 20% alternative compliance
- SCL estimated to be 91 - 99% CETA compliant
 - Monthly net approach, doesn't consider possibility of clean market purchases.



CETA ELIGIBLE DELIVERED RESOURCES AS A PERCENT OF LOAD

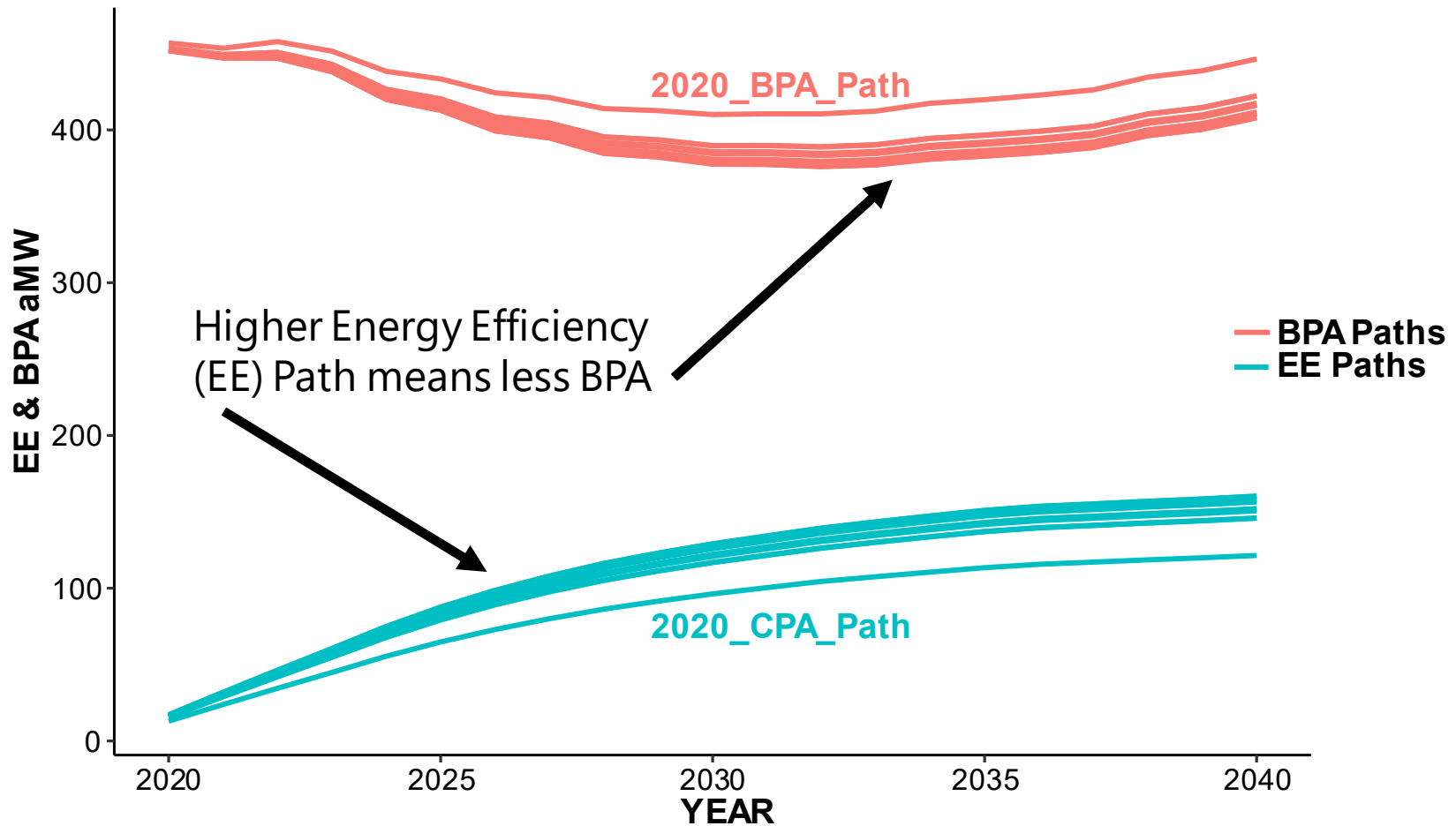


TOTAL PORTFOLIO NET PRESENT VALUE VS ENERGY EFFICIENCY PATHS (360 PATHS)

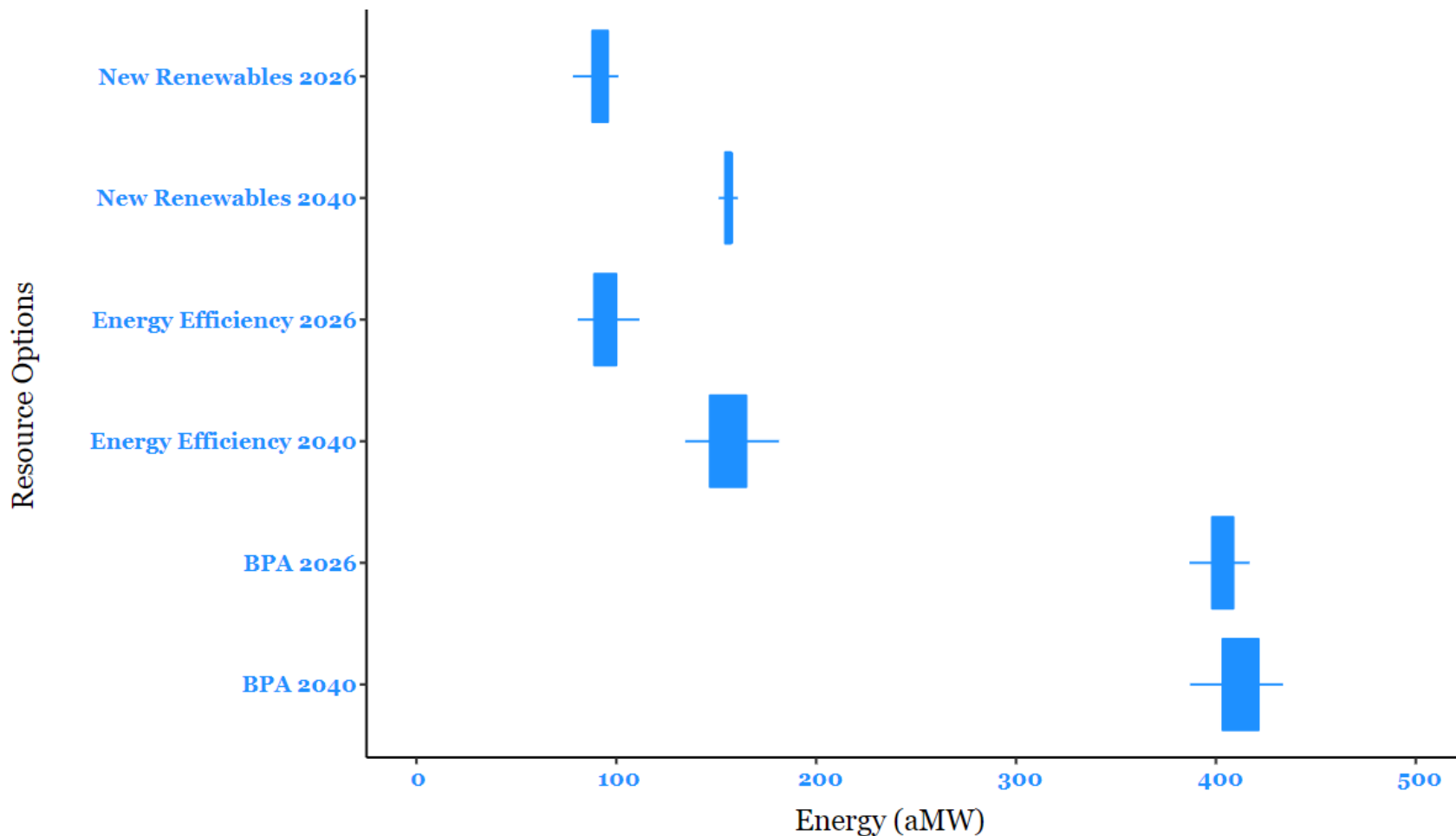


BPA BLOCK CONTRACT AND ENERGY EFFICIENCY

WHY DECLINING LOAD MATTERS



LONG RANGE PLAN- MORE STUDY IN 2022 IRP



2020 IRP PROGRESS REPORT ACTION PLANS

- Update demand forecast to reflect the trends from the pandemic and electrification scenarios
- Refine the Conservation Potential Assessment accounting for energy efficiency's benefit streams relative to BPA, hydro resources, GHG reduction, RPS and resource adequacy contributions



2020 IRP PROGRESS REPORT ACTION PLANS (CON'T)

- Refinements to City Light's framework for new details that emerge with the first complete and adopted set of CETA rules
 - Anticipation of clarity on 'delivery and use' & 'alternative compliance' definitions such as energy transformation projects (e.g. additional conservation, electrification, demand response, etc.) expected in 2021



CETA FIRST MILESTONE

- Clean Energy Compliance Plan
 - proposes interim targets for meeting CETA during the years prior to 2030
 - specific targets for energy efficiency, demand response, and renewable energy
 - submit every four years starting January 1, 2022
 - informed by the IRP and contemporaneous with 2022 CPA



2020 IRP PROGRESS REPORT ACTION PLANS (CON'T)

- Renewable Resources Request for Proposals that will potentially support a new Large Customer Renewable Energy programs
- New research into how customer owned generation, demand response and storage resources fit into SCL's portfolio

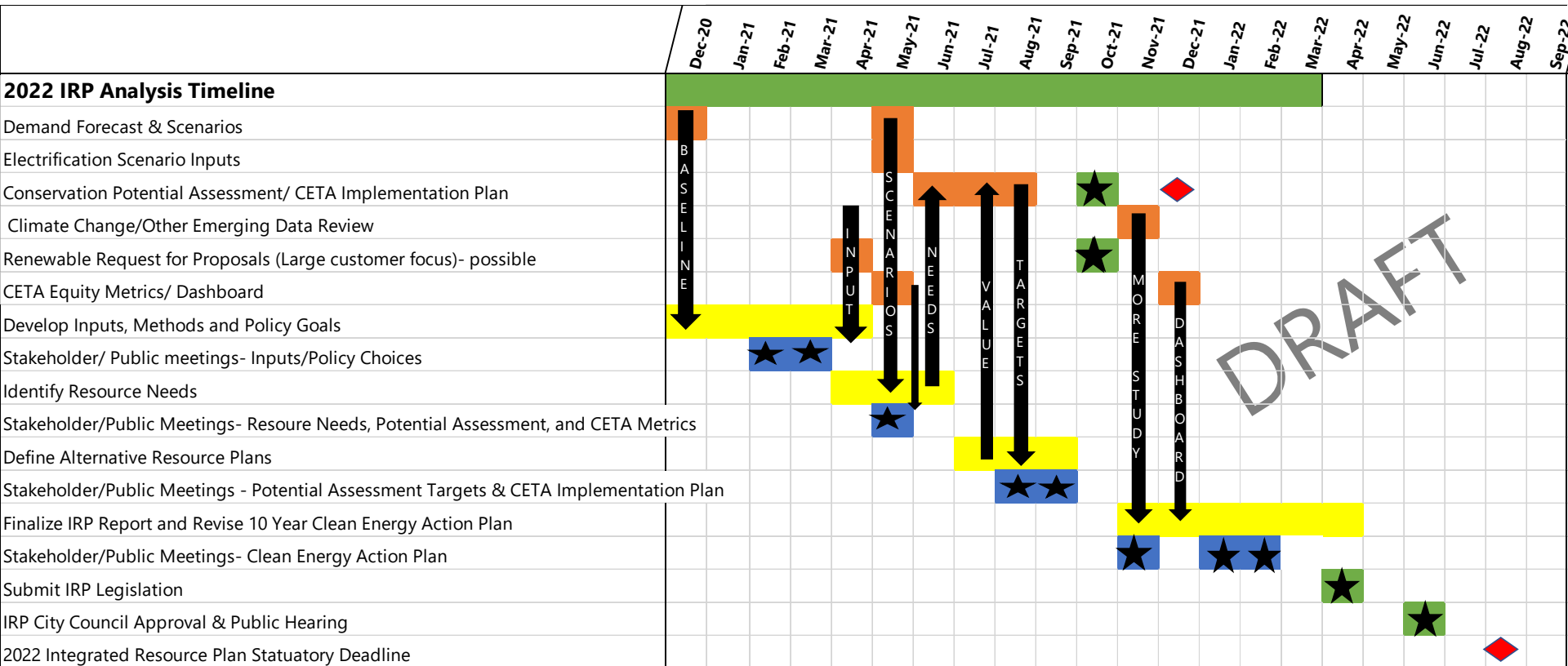


2020 IRP PROGRESS REPORT ACTION PLANS (CON'T)

- Review of latest NW Council and the Northwest Power Pool Resource Adequacy data to update City Light's market reliance study for resource adequacy
- Continued and new stakeholder and public engagement to receive input along the way



2022 IRP WORKPLAN PROCESS SCHEDULE-DRAFT



Legend

Processes to Align with IRP

2022 Plan Activity

Stakeholder/Public Activity

City Council Activity

Connected Process & Direction

Milestone

State Statutory Deadline



Seattle City Light



MEETING DATES (PROPOSED)

- **Meeting #1 Kickoff , Friday January 29, 2021, 1-3 pm**
- Meeting #2, Friday April 30, 2021, 1 -3 pm
- Meeting #3, Friday August 27, 2021, 1- 3 pm
- Meeting #4, Friday November 19, 2021, 1-3 pm
- Meeting #5, Friday January 28, 2022, 1-3 pm

May add meetings on special topics as needed



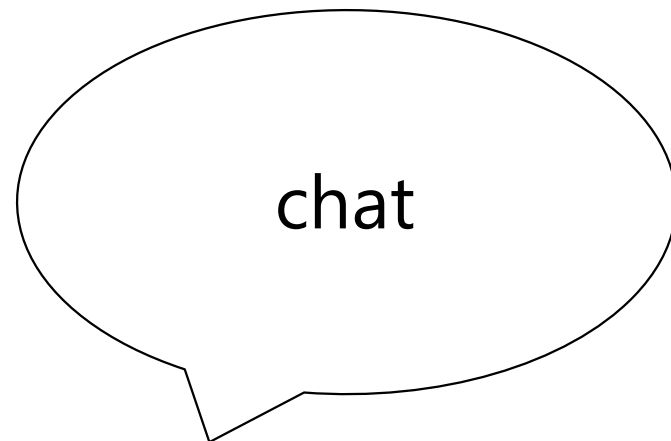
FEEDBACK AND QUESTIONS

IRP Progress Report Action Plans

2022 IRP Workplan Schedule

Framework/ Inputs/ Policies

Public Outreach Suggestions



FEEDBACK ON 2022 IRP INPUTS/SOURCES DESIRED

Inputs	Current Sources	Scenarios(?)
New Resource(Renewables/Storage) Costs and Cost Trends	NREL, IHS	
Wind/Solar Generation Profiles	NREL	
Energy Efficiency (Bundles/Shapes)	CPA(Cadmus)	
Demand Response Options	CPA(Cadmus)	
Distributed Generation	CPA (Cadmus)	
Demand Forecasts (Base/Low, Electrification) and Shapes	Finance/Electrification	
Hydro Conditions	Historical, UW, RMJOC II	
BPA and Existing Resources	Current Terms	
Regional Inputs (Loads, Builds, Transmission)	Energy Exemplar, NW Council	
Market Reliance	NW Council, NWPP	
Fuel Prices(Gas)	IHS, NW Council	
Social Cost of Carbon, Emission Rate	CETA/EPA, Ecology	

CITY LIGHT

Our Mission

Seattle City Light provides our customers with affordable, reliable and environmentally responsible energy services.

Our Vision

Create a shared energy future by partnering with our customers to meet their energy needs in whatever way they choose.

Our Values

Customers First, Environmental Stewardship, Equitable Community Connections, Operational and Financial Excellence, and Safe and Engaged Employees



Seattle City Light