

2024 Resource Plan - Introduction

Commission Presentation – June 25, 2024

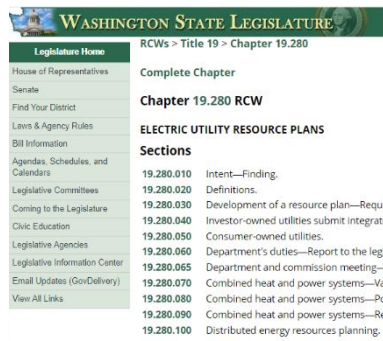


Electric Utility Resource Plans

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- **Requirement** in Washington State under **RCW 19.280**
- **Evaluation** of load and resource balance
- **Plan** to meet energy, capacity, renewable and clean energy requirements
- **Strategy** for long-term reliable, low-cost electricity at reasonable risk

Requirement



| WASHINGTON STATE LEGISLATURE | |
|-----------------------------------|--|
| RCWs > Title 19 > Chapter 19.280 | |
| Legislature Home | Complete Chapter |
| House of Representatives | Chapter 19.280 RCW |
| Senate | ELECTRIC UTILITY RESOURCE PLANS |
| Find Your District | Sections |
| Laws & Agency Rules | 19.280.010 Intent—Finding. |
| Bill Information | 19.280.020 Definitions. |
| Agendas, Schedules, and Calendars | 19.280.030 Development of a resource plan—Requirements. |
| Legislative Committees | 19.280.040 Investor-owned utilities submit integrated resource plan. |
| Coming to the Legislature | 19.280.050 Consumer-owned utilities. |
| Civic Education | 19.280.060 Department's duties—Report to the legislature. |
| Legislative Agencies | 19.280.065 Department and commission meeting—Requirements. |
| Legislative Information Center | 19.280.070 Combined heat and power systems—Valuation. |
| Email Updates (GovDelivery) | 19.280.080 Combined heat and power systems—Requirements. |
| View All Links | 19.280.090 Combined heat and power systems—Requirements. |
| | 19.280.100 Distributed energy resources planning. |

Evaluation



Plan



Strategy



Plan is submitted to Commerce every two years

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Integrated Resource Plan

- **2022**
 - Integrated Resource Plan Progress Report
 - Resolution No. 2608, August 9, 2022
- **2020**
 - Integrated Resource Plan
 - Resolution No. 2549, August 11, 2020

Resource Plan **** New for 2024 ****

- **2024**
 - **Benton PUD intends to prepare a “Resource Plan”**
 - Upon conversion of its BPA Power Sales Agreement from Slice/Block to Load Following;
 - Benton PUD became a **“full requirements customer”** effective October 1, 2023.

How are “Plans” defined in **RCW 19.280.20**?

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Integrated Resource Plan

- “means an analysis describing the mix of generating resources, conservation, methods, technologies, and resources to integrate renewable resources and, where applicable, address overgeneration events, and efficiency resources that will meet current and projected needs at the lowest reasonable cost to the utility and its ratepayers and that **complies with the requirements specified in RCW 19.280.030(1).**”

Resource Plan

- “means an assessment that estimates electricity loads and resources over a defined period of time and **complies with the requirements in RCW 19.280.030(5).**”

Which **Plan** is applicable to Benton PUD?

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Integrated Resource Plan



19.280.030(1)

- Utilities with more than 25,000 customers that are **not full requirements customers** must develop or update an **integrated resource plan...**
- The integrated resource plan, at a minimum, must include:
...

Resource Plan



19.280.030(5)

- All other utilities may elect to develop a full integrated resource plan as set forth in subsection (1) of this section
- or, at a minimum, shall develop a **resource plan** that:
...

Is Benton PUD a full requirements customer?

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Full requirements customer

- “means an electric utility that **relies on the Bonneville power administration for all power needed to supply its total load requirement** other than that served by nondispatchable generating resources totaling no more than six megawatts or **renewable resources.**”

BPA
Tier 1
+
Tier 2

Pack-
wood
Hydro

Renewable resources

“means electricity generation facilities fueled by: (a) **Water**; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; (f) biomass energy utilizing animal waste, solid or liquid organic fuels from wood, forest, or field residues or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; (g) by-products of pulping or wood manufacturing processes, including but not limited to bark, wood chips, sawdust, and lignin in spent pulping liquors; (h) ocean thermal, wave, or tidal power; or (i) gas from sewage treatment facilities.”

What are the **Resource Plan requirements?** - 1 of 2

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Resource Plan

2024 Load Forecast

Resolution No. 2673, May 14, 2024

Benton PUD Existing Resources

- 1) Energy Efficiency/Conservation
- 2) Packwood Hydro
- 3) BPA Tier 1, Load Following
- 4) BPA Tier 2, Above Contract High-Water Mark

Clean Energy Transformation Act (CETA)

19.405.040 = **2030 GHG Neutral**
19.405.050 = **2045 100% Clean**

19.280.030(5): “...shall develop a resource plan that:

- (a) **Estimates loads** for the next five and 10 years;
- (b) **Enumerates the resources** that will be maintained and/or acquired to serve those loads;
- (c) **Explains why the resources** in (b) of this subsection were chosen and, if the resources chosen are not: (i) Renewable resources; (ii) methods, commercially available technologies, or facilities for integrating renewable resources, including addressing any overgeneration event; or (iii) conservation and efficiency resources, why such a decision was made;
- (d) By December 31, 2020, and in every resource plan thereafter, **identifies how** the utility plans over a 10-year period to implement **RCW 19.405.040 and 19.405.050; and...**”

What are the **Resource Plan requirements?** - 2 of 2

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New requirement (e) from House Bill 1287:

Passed in 2021,
Effective July 25, 2021

Reference 2022 Load Forecast
Resolution No. 2600,
April 26, 2022

Reference Electrification of Transportation Plan
Resolution No. 2521,
November 12, 2019

Mapping and forecasting tool
to be created by WA Dept. of
Transportation; not yet available

Resource Plan

“...(e) Accounts for:

- (i) Modeled **load forecast scenarios** that consider the anticipated levels of **zero emissions vehicle use** in a utility's service area, including anticipated levels of zero emissions vehicle use in the utility's service area provided in RCW 47.01.520, if feasible;
- (ii) Analysis, research, findings, recommendations, actions, and any other relevant information found in the **electrification of transportation plans** submitted under RCW 35.92.450, 54.16.430, and 80.28.365; and
- (iii) Assumed **use case forecasts** and the associated energy impacts. Electric utilities may, but are not required to, use the forecasts generated by the **mapping and forecasting tool** created in RCW 47.01.520. This subsection (5)(e)(iii) applies only to plans due to be filed after September 1, 2023.”

Summary of Plan Requirements

Integrated Resource Plan

| Part | 19.280.030(1) - Requirement topic |
|----------|--|
| (a) | Load Forecast |
| (b) | Conservation Potential Assessment |
| (c) | Resource Commercial Technology Assessment |
| (d) | Resource “Lowest Reasonable Cost” Evaluation |
| (e) | Renewable Integration Assessment |
| (f) | Transmission Assessment |
| (g), (i) | Resource Adequacy Metric Determination |
| (h) | Distributed Energy Resources Assessment |
| (j) | Resource Portfolio Integrated Assessment |
| (k) | Energy & Nonenergy Benefits Assessment |
| (l) | Clean Energy Action Plan to meet CETA |
| (m) | Electric Vehicle Analysis |

Resource Plan

| Part | 19.280.030(5) – Requirement topic |
|----------|-----------------------------------|
| (a) | Load Forecast |
| (b), (c) | Resource Explanation |
| (d) | Plan to meet CETA |
| (e) | Electric Vehicle Analysis |

2024 Resource Plan - Draft Outline

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1. Executive Summary

2. Load & Resource Balance

- a. Load Forecast
- b. Existing Supply Resources
- c. Energy & Capacity Planning

3. Washington Compliance

- a. Renewable Portfolio Standard
- b. CETA

4. Other Considerations

- a. Electrification
- b. Transmission
- c. BPA Resource Program
- d. Risks

5. Preferred Resource Strategy

- a. BPA Post-2028 Contract

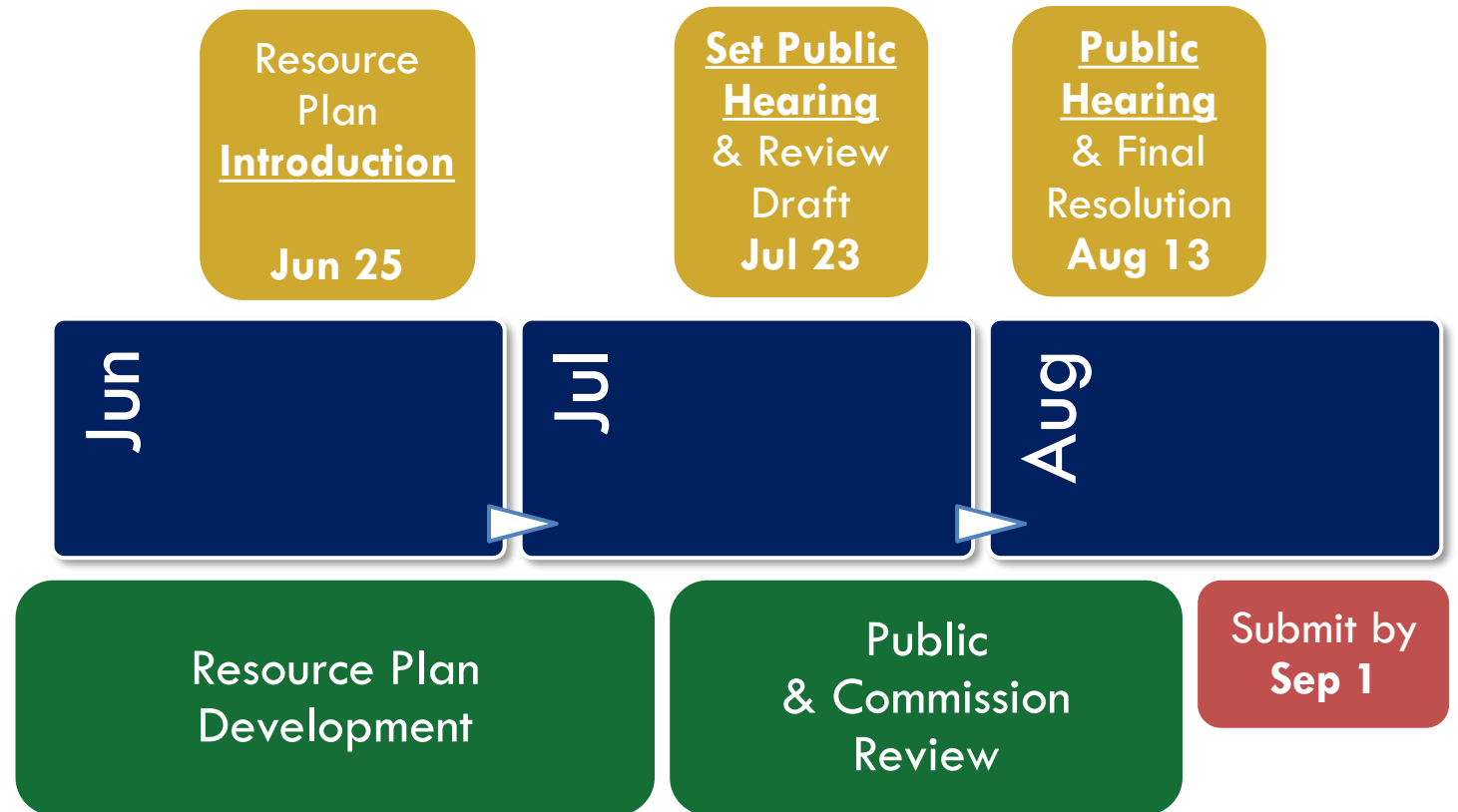
6. Action Plan

*** Preliminary Outline, Subject to Change ***

2024 Resource Plan – Schedule

RCW 19.280.050

“The governing body of a consumer-owned utility that develops a plan under this chapter shall encourage participation of its consumers in development of the plans and progress reports and approve the plans and progress reports after it has provided public notice and hearing.”



Comments or Questions?

- **Public comments/questions are welcome by:**
 - Participation at Commission meetings,
 - Calling Blake Scherer at 509-585-5361,
 - Emailing power@bentonpud.org
 - using subject of “2024 Resource Plan”
- **Presentation to be posted on the **Resource Planning** website:**
 - <https://www.bentonpud.org/About/Planning-Performance/Resource-Planning>