



Seattle City Light

2020 INTEGRATED RESOURCE PLAN PROGRESS REPORT

Transportation & Utilities Committee Review

Seattle City Light | February 3, 2021

PRESENTATION OVERVIEW

- What is SCL's IRP Progress Report & what action is required by the City Council
- What Issues are driving the new IRP Framework
- What this means for City Light and Seattle's energy directions and what comes next



INTEGRATED RESOURCE PLANS AND PROGRESS REPORTS



State Law, 2006
Requires City Council
Approval and Public
Hearing



Twenty-year Resource
Plan to meet forecast
demand



All utilities with > 25K
customers



Safe, Reliable, Clean,
Equitable, Lowest
Reasonable Cost



Two-year cycles (2020
Progress Report*,
2022 IRP Update, etc.)





*one-time exception



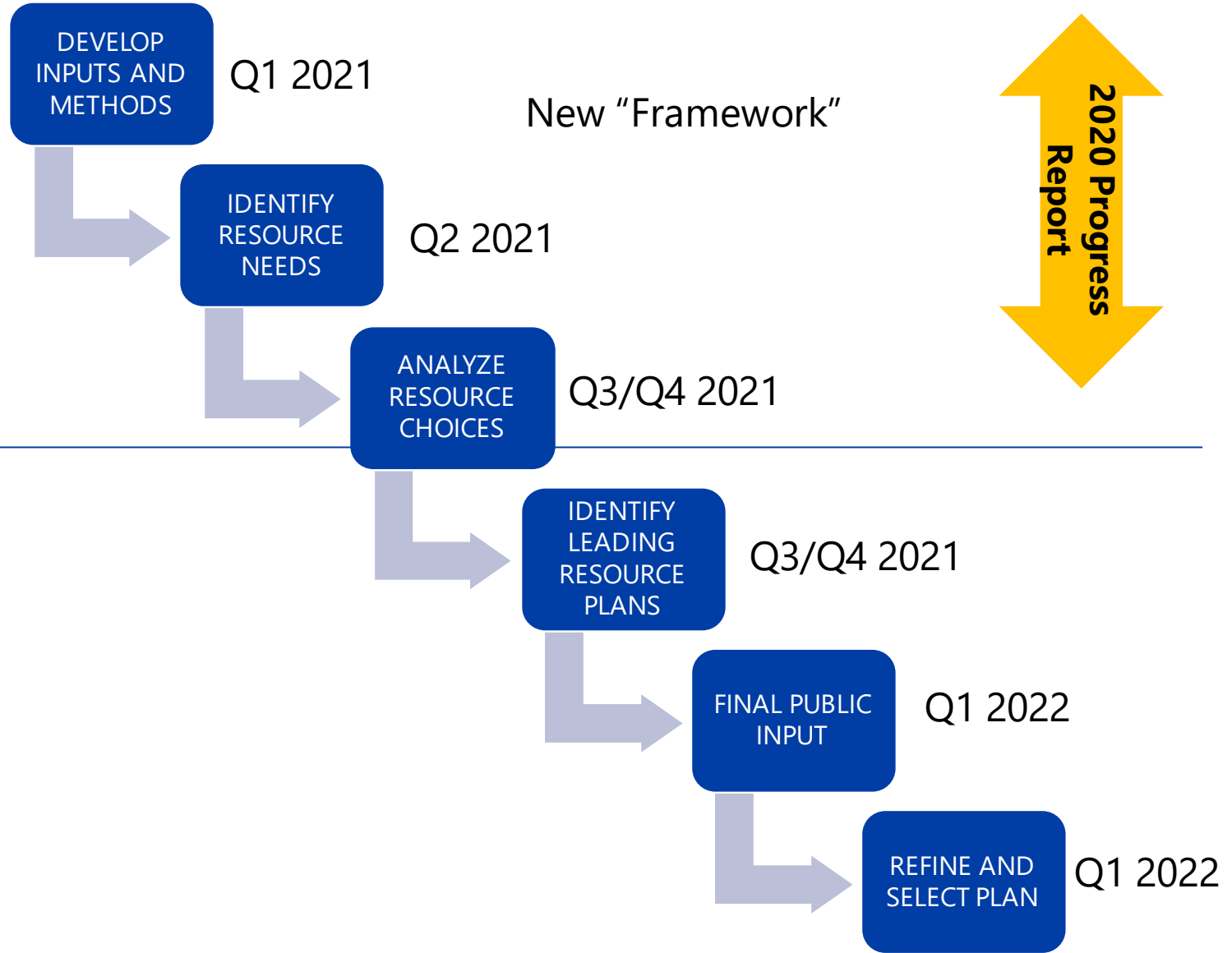
Public involvement

2020 PLANNING LANDSCAPE

COURSE CHANGE TO PROGRESS REPORT

	Clean Energy Innovations	Significant growth in renewable energy and energy efficiency driving future energy supply growth
	Clean Energy Transformation Act	New Washington law with associated rules being written
	COVID-19	Adverse health, environmental justice, economic and energy demand impacts
	Electrification	Climate change concerns transitioning choices and regulations in transportation and building energy use

Integrated Resource Plan Update



NEW ENERGY FRONTIER REQUIRES MORE TARGETED FRAMEWORK

Resource Needs

I-937 Energy Independence Act

- Conservation investments driving no load growth and existing I-937 compliance inventory keep compliance costs down

Clean Energy Transformation Act

- City Light close to greenhouse gas-free
- Identified new Resource Adequacy Metric and target

Resource Adequacy

- Long-run summer energy supply risk emerges
- Regional supply and demand changing and summer capacity deficits



CITY LIGHT'S CURRENT RESOURCES

ENERGY RESOURCES

2019 POWER MIX



● HYDRO	84%
● UNSPECIFIED*	6%
● NUCLEAR**	5%
● WIND	4%
● BIOGAS.....	1%
TOTAL	100%

*City Light does not have coal or natural gas resources in its power supply portfolio. It does make market purchases to balance or match its loads and resources. These purchases, along with market purchases made by Bonneville Power Administration (BPA), may incidentally include coal or natural gas resources, which are assigned to the utility. Any emissions associated with unspecified market purchases are offset through our greenhouse gas (GHG) neutrality policy.

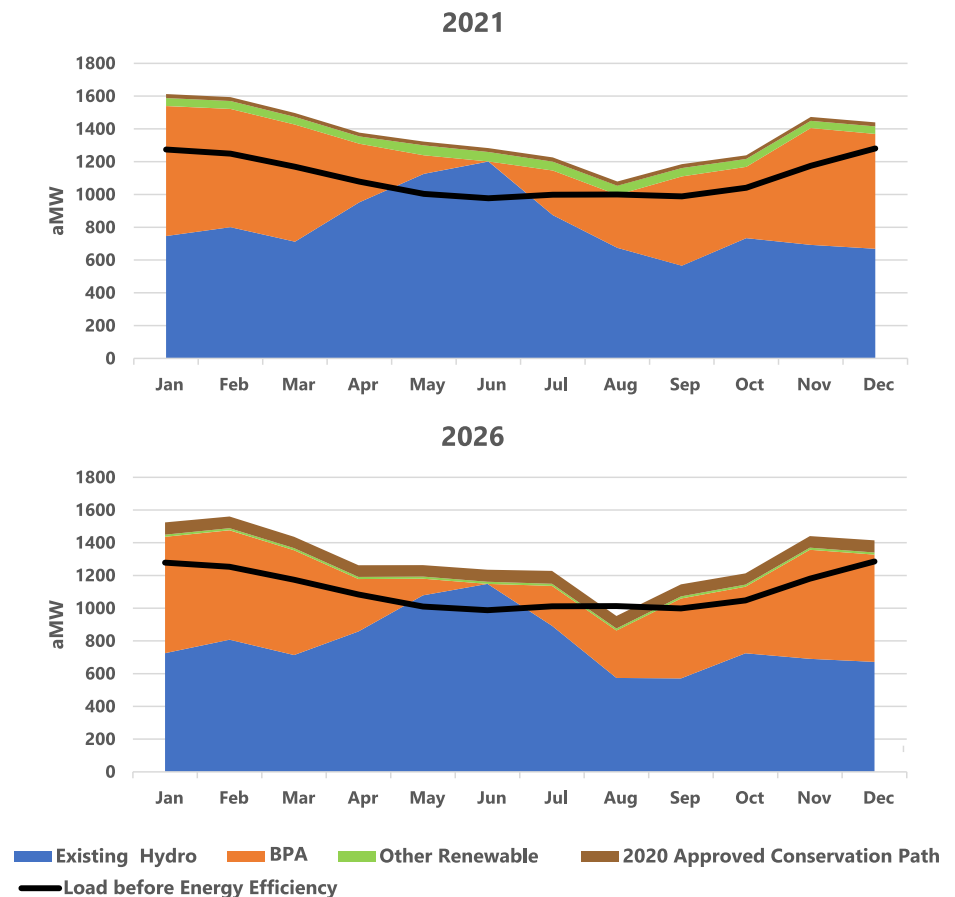
**This fuel represents a portion of the power purchased from BPA.



NEW FRAMEWORK POINTS TO SUMMER PRESSURES

CITY LIGHT "EXPECTED" SUPPLY AND DEMAND

- Resource Adequacy assures we have sufficient supply to serve loads across a wide range of conditions
- Energy constrained for consecutive hours when hydro runs low
- Changing regional power supply requires new focus




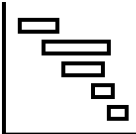


TARGETING FUTURE RESOURCE CHOICES FOR VALUE

- Conservation meets half of our future energy needs-- may not be enough
- City Light is working with customers to add new clean fuels (wind and sun) to meet their needs
- Past IRPs concluded BPA preference power meets City Light goals — that has not changed
- Electrification and Demand Response may emerge to increase the value of our clean energy



PREPARING FOR THE 2022 IRP

ACTION PLAN PRIORITIES AND CITY COUNCIL INVOLVEMENT

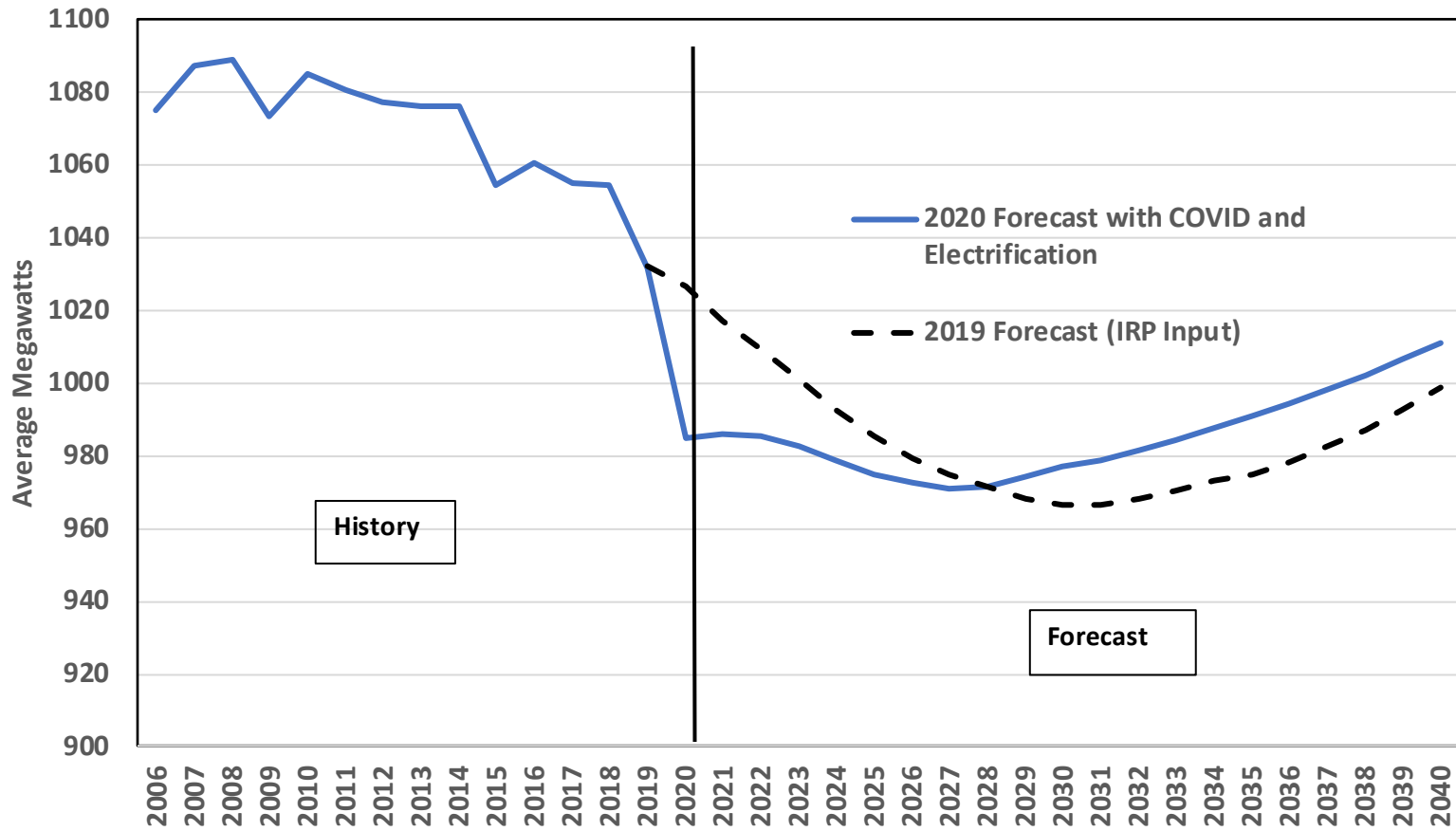
	<p>Aligning City Light Plans</p>	<p>2022 -2026 Strategic Plan (Summer 2021) 2022 Conservation Potential Assessment (Jan 1, 2022) CETA Clean Energy Implementation Plan (Jan 1, 2022) 2022 Integrated Resource Plan (Sept 1, 2022) Transportation Electrification Strategic Investment Plan (adopted) Transmission and Distribution System Plans (ongoing)</p>
	<p>IRP Analysis</p>	<p>Resource Adequacy Needs Updates Adding Resource Choices to Study Electrification and Climate Change Scenarios</p>
	<p>Public Input/ Outreach</p>	<p>Environmental Justice Communities Centric Language Access Defining Resilience</p>
	<p>Customer and Regional Collaboration</p>	<p>Customer Choices Transmission Development Regional Resource Adequacy Programs Future Bonneville Contract</p>

Public review / City Council 2021 approval

PREPARING FOR THE 2022 IRP

COVID-19 AND ELECTRIFICATION IMPACTS

Retail Load Forecasts



THE NEW ENERGY FRONTIER ADAPTING TO CONSTANT CHANGE

- Stable and fair rates
- Flexible and adaptable plans
- Environmental justice
- Well informed and involved customer owners and public



THANK YOU TO OUR IRP TECHNICAL ADVISORS

- Brian Fadie, Northwest Energy Coalition
- Elizabeth Osborne, NW Power & Conservation Council
- Joanne Ho, Consultant
- Joni Bosh, Northwest Energy Coalition
- Jeremy Park, University of Washington
- John Fazio, NW Power & Conservation Council
- Mike Ruby, Envirometrics
- Paul Munz, Bonneville Power Administration
- Steve Gelb, Emerald Cities
- Wesley Lauer, Seattle University

CITY LIGHT


MISSION

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

VISION

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

VALUES:

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