



**JOINT WORKSHOP AND DISCUSSION
Washington Utilities and Transportation Commission
and
Washington Department of Commerce**

**Modeling Greenhouse Gas Pollution Costs in Electric Integrated Resource Planning
January 16, 2020, starting at 9:30 a.m.**

Richard Hemstad Hearing Room, 621 Woodland Square Loop S.E., Lacey, WA 98503
Teleconference bridge line will be available at (360) 407-3810, conference ID 7201139

Background and Summary

The Washington Department of Commerce (Commerce) and Washington Utilities and Transportation Commission (Commission) are currently gathering information related to modeling greenhouse gas pollution costs in electric integrated resource planning (IRP).

The Clean Energy Transformation Act modified the integrated resource planning statute to require electric utilities to consider the social cost of greenhouse gas emissions, as determined by the Commission for investor-owned utilities and Commerce for consumer-owned utilities. An electric utility must incorporate the social cost of greenhouse gas emissions as a cost adder when:

- (i) Evaluating and selecting conservation policies, programs, and targets;
- (ii) Developing integrated resource plans and clean energy action plans; and
- (iii) Evaluating and selecting intermediate term and long-term resource options.

This workshop will discuss methodologies for incorporating the social cost of greenhouse gases in resource planning. The agencies intend to gather feedback and guidance related to greenhouse gas pollution cost modeling in IRP rules.

Agenda Items

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| 1. Scope and Process for the Issues and Workshop | 9:30 – 9:40 |
| Kathi Scanlan, Commission Staff
Glenn Blackmon, Commerce Energy Policy Manager | |
| 2. Commissioner Remarks and Introductions | 9:40 – 9:45 |

3. Panel Presentations 9:45 – 11:10

- a. Joint Presentation: 9:45 – 10:05
 Snohomish PUD and Tacoma Power
 Garrison Marr, Principal Utility Analyst, Snohomish PUD
 Ahlmahz Negash, PhD, Power Analyst, Tacoma Power
 Rachel Gardner Clark, Resource Planning Manager, Tacoma Power
- b. Climate Solutions 10:05 – 10:20
 Kelly Hall, Interim Washington Director
- c. Northwest Energy Coalition 10:20 – 10:35
 Wendy Gerlitz, Policy Director
- d. Avista Corporation 10:35 – 10:50
 James Gall, IRP Manager
- e. Northwest Power and Conservation Council 10:50 – 11:10
 John Ollis, Manager of Planning and Analysis

4. Break 11:10 – 11:20**5. Opportunity to Comment 11:20 – 12:05**

- a. Utilities to comment on the panel presentations and discuss current approaches to IRP modeling:
 - i. For IOUs, what level of guidance should be provided?
 - 1. WAC 480-100-610(6)
 - 2. WAC 480-100-610(12)(j)
 - ii. For consumer-owned utilities, should one or more specific methods be identified by rule as complying with the statute? Is there a particular approach that is most consistent with the requirement to use Power Council methodologies in conservation planning?
- b. Open comment period, guided by stakeholder comments on rulemakings or subject area below:
 - i. When considering modeling social cost of greenhouse gas (SCC) in dispatch or as a damage cost, what are the pros and cons, and effects on:
 - 1. Retirements
 - 2. Generation builds
 - 3. Demand-side resources
 - ii. Applying SCC to new and existing thermal resources
 - iii. Market purchases and carbon content/emission rate(s)
 - iv. Imports and contracts analysis: Is it possible to delineate and apply SCC to imports and/or contracts in the IRP modeling software?

6. Next Steps: Washington Department of Commerce and UTC

- a. Update on rulemaking(s), comments, and information gathering
- b. Additional workshops
 - Glenn Blackmon, Commerce Energy Policy Manager 12:05 – 12:15
 - Brad Cebulko, Commission Policy Advisor 12:15 – 12:30