

Public Participation

PSE is committed to public involvement in the planning process. Stakeholder meetings generated valuable constructive feedback during this planning cycle, and the suggestions and practical information we received from both organizations and individuals helped to guide the development of this 2007 Integrated Resource Plan. We wish to thank all who participated.

As of the date this plan draft was filed with the WUTC, seven formal Integrated Resource Plan Advisory Group (IRPAG) meetings, five Conservation Resource Advisory Group (CRAG) meetings, and dozens of informal meetings and communications have taken place. Stakeholders who actively participated in one or more meetings include WUTC staff, the Public Counsel, Northwest Industrial Gas Users, Northwest Pipeline, conservation and renewable resource advocates, the Northwest Power and Conservation Council, project developers, other utilities and the Washington State Department of Community, Trade and Economic Development (CTED).

This appendix briefly describes the purpose of the IRPAG and CRAG, and summarizes the formal meetings held to date. We especially want to thank those who attended these meetings for the time and energy they invested, and we encourage their continued participation. The IRPAG covers all elements of the IRP, while the CRAG focuses on energy efficiency and demand-side resources. While these two groups meet separately, they have many members in common.

I. Integrated Resource Planning Advisory Group (IRPAG)

PSE works with external stakeholders through an informal group referred to as the Integrated Resource Plan Advisory Group (IRPAG). The IRPAG is the primary means of satisfying the requirements of WAC 480-100/90-238 for public involvement. During the development of the 2007 IRP, PSE engaged the IRPAG in two ways, in a series of structured IRPAG meetings and in individual meetings with various IRPAG members.

As part of the formal IRPAG meetings, we presented and discussed each building block in developing the IRP, often stepping through significant levels of detailed analysis. Additionally, we invited several guest speakers to talk about relevant topics, such as

carbon sequestration, regional LNG import developments, and regional resource adequacy. IRPAG meetings are open to all comers, including individual customers and other utilities.

In addition to the more structured IRPAG meetings, PSE met with individual IRPAG members, on a one-on-one basis. Such meetings have proven to be very productive, allowing a freer flow of ideas that would have been difficult to achieve in a group setting. PSE has found the combination of one-on-one meetings followed by a group meeting to be particularly helpful in generating feedback.

Our discussions with IRPAG members provide new avenues for broadening the scope of information available to us in our planning process. Additionally, our interactions with IRPAG members enhance our thinking by bringing a variety of perspectives to the process. PSE has found the IRPAG process to be valuable and will continue to work toward improving upon our success.

II. Conservation Resources Advisory Group (CRAG)

The CRAG was formally established as part of the settlement of PSE's 2001 General Rate Case, which the WUTC approved in Docket No. UE-11570 and UG-011571. The group specifically works with PSE on development of energy efficiency plans, targets and budgets. The CRAG consists of ratepayer representatives, regulators, and energy efficiency policy organizations, including the following stakeholder groups:

- WUTC staff
- Public Counsel, Attorney General's Office
- Industrial Customers of Northwest Utilities (ICNU)
- Northwest Industrial Gas Users (NWIGU)
- NW Energy Coalition and Natural Resources Defense Council
- Energy Project (representing Low Income Agencies)
- Washington State Department of Community, Trade and Economic Development
- Customer representatives from commercial, industrial and institutional sectors (Microsoft, Kemper Development, King County)

The CRAG participated in the development of the PSE's 2007 IRP and energy efficiency program review through a series of formal meetings in which they reviewed and offered feedback on the assessment of all demand-side resources (energy efficiency, fuel conversion, and demand response). Many members also participated in other aspects of the IRP advisory process as well.

No significant concerns about the IRP demand-side potential results have been expressed. Issues with the highest level of interest included avoided costs; the cost-effectiveness screen used to determine economic potential; and the rationale and assumptions used to estimate achievable resource potential. Looking ahead, the CRAG will likely focus on how the 2007 IRP results are factored into demand-side savings targets, and programs and budgets for 2008–2009.

III. Summary of IRPAG and CRAG Meetings

A. CRAG Meeting, September 28, 2005

This meeting covered future gas price forecasts, end-of-year forecasts for PSE's 2004–2005 energy efficiency programs, energy efficiency targets and barriers, 2006–2007 energy efficiency program highlights, a program evaluation update, and the Green Utility Assessment.

B. IRPAG Kick-off Meeting, February 16, 2006

This meeting included an overview of the new IRP rule, a discussion of the new gas price forecast model (PSE switched from CERA to Global Insight), a look at our new planning process, an overview of our work plan for the 2007 IRP, and updates on the 2005 All Source and Energy Efficiency RFPs. The natural gas resources group presented an acquisition update; our vice president of energy efficiency introduced PSE's Green Utility Assessment project; and the meeting closed with our vice president of energy resources leading a discussion about PSE's need and the current planning environment.

C. IRPAG Meeting, April 20, 2006

Our supply-side and energy efficiency acquisition teams shared details about our 2005 All Source and Energy Efficiency RFP processes, and a status update for each RFP. Representatives from Kitimat LNG, Jordan Cove and Northern Star/Bradwood discussed the LNG situation in our region and presented information about their respective projects. PSE's green power group updated our Green Utility Assessment project. The meeting closed with up with a look at the draft 2007 IRP work plan and a discussion of next steps.

D. IRPAG Meeting, June 22, 2006

PSE's vice president of energy resources opened the meeting with a discussion of the current planning environment. An overview of our IRP development process followed, including an opportunity to discuss PSE's analytic approach and the questions we should answer in the current IRP. PSE distributed a draft outlining the resources we planned to explore and the scenarios we planned to test. This meeting included an update from the 2005 All Source and Energy Efficiency RFP teams. Our natural gas resources manager summarized the status of our Jackson Prairie expansion project.

Climate Trust presented an informational overview of climate change and the role of project-based emissions reductions. The Northwest Power and Conservation Counsel discussed resource adequacy in the Pacific Northwest.

E. IRPAG Meeting, October 26, 2006

This meeting began with an overview of changes to our planning process since the 2005 LCP, which have affected demand resource analysis, risk metrics, and the application of Monte Carlo analysis. This was followed by a review of our electric analytic process, assumptions, and scenarios. Copies of our draft scenario matrix were distributed, and we summarized PSE's gas analytic process, alternatives, and scenarios. PSE's acquisition team offered a brief look at our 2005 All Source RFP short list.

The meeting ended with a presentation by the Big Sky Carbon Sequestration Partnership about current carbon sequestration technology, and efforts to test this technology in a trial situation.

F. CRAG Meeting, November 3, 2006

Topics for this meeting included PSE energy efficiency staff reassignments; an update on the RFP process; a summary of energy efficiency residential and commercial programs; end-of-year forecasts for electric and gas savings; a program evaluation update; a discussion of potential demand response programs and objectives; and a discussion of topics for future meetings.

G. IRPAG Meeting, December 8, 2006

The meeting convened with a status report on our planning process. We presented draft electric scenario results and an overview of our electric planning adjustment for demand resources (adjustment equals portfolio cost minus market cost). We also discussed electric capacity load and resources for PSE and the region. A brief discussion of avoided capacity cost wrapped up the planning portion of this meeting.

PSE's acquisition team delivered a status update on the 2005 All Source RFP short list, as well as more details about the Goldendale and Whitehorn transactions. We shared information about our proposed Wild Horse solar project and the resulting solar RFP, followed by a general overview of solar technologies.

H. CRAG Meeting, December 8, 2006

This meeting provided a more comprehensive background on demand response potential programs and issues; a more detailed look at the methodology for estimating achievable potentials for gas and electric energy efficiency; fuel conversion; distributed generation potential; a discussion of analytical methodology; and the role of the IRP among other program target considerations.

I. CRAG Technical Workshop, January 4, 2007

We discussed draft demand-side resource potential results for the 2007 IRP.

J. IRPAG Meeting: January 18, 2007

A discussion of PSE's 2006 demand forecast model and results opened the meeting. Our analysts shared information about PSE's electric and capacity needs over the planning period. We briefly touched on our electric modeling process, requested feedback on our portfolios (as well as the resource strategy questions that we will answer with those portfolios), and an overview of our demand resource assumptions. On the gas side, we discussed our load-resource balance, the current supply situation and outlook, and supply expansion alternatives.

PSE's resource acquisition manager presented a status update on the seven projects selected from our 2005 All Source RFP. This included the Goldendale acquisition, which is subject to the bankruptcy process, and a brief look at next steps for the acquisition team once RFP negotiations are concluded. A quick report on the 2007 Solar RFP brought the meeting to a close with a look at highlights from the January 11th bidders meeting and an overview of the process timeline.

K. CRAG Meeting, January 18, 2007

This meeting reviewed the final results for demand-side resource potentials to be incorporated into the 2007 IRP, and an update on developments in demand-response potential programs.

L. IRPAG Meeting: March 1, 2007

This meeting began with an update from our Resource Acquisition team. The Resource Planning group followed with a summary of our initial IRP conclusions and key findings, with the caveat that we were still involved in the process of reviewing the results. The quantitative results of the electric, gas and DSM analyses were presented. The meeting concluded with an overview of PSE's new GHG Policy and goals.

M. IRPAG Meeting: April 26, 2007

This meeting began with an overview of our 2007 IRP findings. Stakeholders were encouraged to provide feedback on the current plan, and to make suggestions for the next planning process.