

Legal Requirements

PSE is submitting this IRP pursuant to state regulations contained in WAC 480-100-238 regarding electric resource planning, and WAC 480-90-238 regarding natural gas resource planning. Tables B-1 and B-2 delineate the regulatory requirements for electric and natural gas integrated resource plans, and identify the chapters of this plan that address each requirement.

This IRP is the product of a robust analysis that considered a wide range of future risks and uncertainties. We believe this plan meets applicable statutory requirements, and seek a letter from the WUTC accepting this filing.

Figure B-1
Electric Integrated Resource Plan Regulatory Requirements

STATUTORY/REGULATORY REQUIREMENT	CHAPTER
WAC 480-100-238 (3) (a) A range of forecasts of future demand using methods that examine the effect of economic forces on the consumption of electricity and that address changes in the number, type and efficiency of electrical end-uses.	<ul style="list-style-type: none"> Chapter 4, Demand Forecasts
WAC 480-100-238 (3) (b) An assessment of commercially available conservation, including load management, as well as an assessment of currently employed and new policies and programs needed to obtain the conservation improvements.	<ul style="list-style-type: none"> Chapter 5, Electric Resources
WAC 480-100-238 (3) (c) An assessment of a wide range of conventional and commercially available nonconventional generating technologies.	<ul style="list-style-type: none"> Chapter 5, Electric Resources
WAC 480-100-238 (3) (d) An assessment of transmission system capability and reliability, to the extent such information can be provided consistent with applicable laws.	<ul style="list-style-type: none"> Chapter 7, Delivery System Planning
WAC 480-100-238 (3) (e) A comparative evaluation of energy supply resources (including transmission and distribution) and improvements in conservation using the criteria specified in WAC <u>480-100-238</u> (2) (b), Lowest reasonable cost.	<ul style="list-style-type: none"> Chapter 5, Electric Resources Appendix I, Electric Analysis

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<p>WAC 480-100-238 (3) (f) Integration of the demand forecasts and resource evaluations into a long-range (e.g., at least ten years; longer if appropriate to the life of the resources considered) integrated resource plan describing the mix of resources that is designated to meet current and projected future needs at the lowest reasonable cost to the utility and its ratepayers.</p>	<ul style="list-style-type: none"> • Chapter 5, Electric Resources • Chapter 8, Choosing a Strategy
<p>WAC 480-100-238 (3) (g) A short-term plan outlining the specific actions to be taken by the utility in implementing the long-range integrated resource plan during the two years following submission.</p>	<ul style="list-style-type: none"> • Chapter 9, Action Plans
<p>WAC 480-100-238 (3) (h) A report on the utility's progress towards implementing the recommendations contained in its previously filed plan.</p>	<ul style="list-style-type: none"> • Chapter 9, Action Plans
<p>WAC 480-100-238 (4) Timing. Unless otherwise ordered by the commission, each electric utility must submit a plan within two years after the date on which the previous plan was filed with the commission. Not later than twelve months prior to the due date of a plan, the utility must provide a work plan for informal commission review. The work plan must outline the content of the integrated resource plan to be developed by the utility and the method for assessing potential resources.</p>	<ul style="list-style-type: none"> • 2007 Integrated Resource Plan Work Plan filed with the WUTC May 30, 2006 • Chapter 9, Action Plans
<p>WAC 480-100-238 (5) Public participation. Consultations with commission staff and public participation are essential to the development of an effective plan. The work plan must outline the timing and extent of public participation. In addition, the commission will hear comment on the plan at a public hearing scheduled after the utility submits its plan for commission review.</p>	<ul style="list-style-type: none"> • Public Participation Appendix

**Figure B-2
Gas Integrated Resource Plan Regulatory Requirements**

STATUTORY/REGULATORY REQUIREMENT	CHAPTER
<p>WAC 480-90-238 (3) (a) A range of forecasts of future natural gas demand in firm and interruptible markets for each customer class that examine the effect of economic forces on the consumption of natural gas and that address changes in the number, type and efficiency of natural gas end-uses.</p>	<ul style="list-style-type: none"> Chapter 4, Demand Forecasts
<p>WAC 480-90-238 (3) (b) An assessment of commercially available conservation, including load management, as well as an assessment of currently employed and new policies and programs needed to obtain the conservation improvements.</p>	<ul style="list-style-type: none"> Chapter 6, Natural Gas Resources
<p>WAC 480-90-238 (3) (c) An assessment of conventional and commercially available nonconventional gas supplies.</p>	<ul style="list-style-type: none"> Chapter 6, Natural Gas Resources
<p>WAC 480-90-238 (3) (d) An assessment of opportunities for using company-owned or contracted storage.</p>	<ul style="list-style-type: none"> Chapter 6, Natural Gas Resources
<p>WAC 480-90-238 (3) (e) An assessment of pipeline transmission capability and reliability and opportunities for additional pipeline transmission resources.</p>	<ul style="list-style-type: none"> Chapter 6, Natural Gas Resources
<p>WAC 480-90-238 (3) (f) A comparative evaluation of the cost of natural gas purchasing strategies, storage options, delivery resources, and improvements in conservation using a consistent method to calculate cost-effectiveness.</p>	<ul style="list-style-type: none"> Chapter 6, Natural Gas Resources
<p>WAC 480-90-238 (3) (g) The integration of the demand forecasts and resource evaluations into a long-range (e.g., at least ten years; longer if appropriate to the life of the resources considered) integrated resource plan describing the mix of resources that is designated to meet current and future needs at the lowest reasonable cost to the utility and its ratepayers.</p>	<ul style="list-style-type: none"> Chapter 6, Natural Gas Resources Chapter 8, Choosing a Strategy

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<p>WAC 480-90-238 (3) (h) A short-term plan outlining the specific actions to be taken by the utility in implementing the long-range integrated resource plan during the two years following submission.</p>	<ul style="list-style-type: none"> • Chapter 9, Action Plans
<p>WAC 480-90-238 (3) (i) A report on the utility's progress towards implementing the recommendations contained in its previously filed plan.</p>	<ul style="list-style-type: none"> • Chapter 9, Action Plans
<p>WAC 480-90-238 (4) Timing. Unless otherwise ordered by the commission, each natural gas utility must submit a plan within two years after the date on which the previous plan was filed with the commission. Not later than twelve months prior to the due date of a plan, the utility must provide a work plan for informal commission review. The work plan must outline the content of the integrated resource plan to be developed by the utility and the method for assessing potential resources.</p>	<ul style="list-style-type: none"> • 2007 Integrated Resource Plan Work Plan filed with the WUTC May 30, 2006 • Chapter 9, Action Plans
<p>WAC 480-90-238 (5) Public participation. Consultations with commission staff and public participation are essential to the development of an effective plan. The work plan must outline the timing and extent of public participation. In addition, the commission will hear comment on the plan at a public hearing scheduled after the utility submits its plan for commission review.</p>	<ul style="list-style-type: none"> • Public Participation Appendix