

Draft Work Plan for NW Natural's 2022
WASHINGTON
Integrated Resource Plan

Purpose

The purpose of this document is to communicate with WUTC staff a timeline of the NW Natural's next Integrated Resources Plan (IRP). This document also outlines the timing of the 2021 Conservation Potential Assessment (CPA) which inform energy efficiency targets beginning in 2022, as required by HB 1257 legislation. This plan is a draft work plan and reflects NW Natural's current expectation for anticipated dates and topics for technical working groups, and timing of the IRP and CPA filings with the WUTC.

IRP Delay Background

NW Natural obtained a delay in the IRP due to the impact uncertainty of an executive order in Oregon (Executive Order 20-04), which could materially impact our long-term load forecasts and supply capacity resource options needed to meet total system load.

Due to the delay in the IRP, NW Natural will file a CPA separately in order to inform energy efficiency targets in compliance with HB 1257 legislation.

Methodology

The purpose of the Integrated Resource Plan (IRP) is to develop strategies for purchasing gas and improving efficiencies of gas usage to meet current and future needs consistent with a lowest reasonable cost approach. To do this, NW Natural will develop and integrate demand forecasts, weather patterns, natural gas price forecasts, and demand side and supply side resources into Gas Supply and Planning Optimization software. The CPA is an input into the IRP process and can be done separately with the results feeding into the IRP process. The results of the IRP process will act as a guide to steer the Company toward the least cost resource planning portfolio.

Conservation Potential Assessment

In compliance with WA legislation of HB 1257, NW Natural will file a CPA in 2021 to inform energy efficiency (EE) targets starting in 2022. The table below shows NW Natural's understanding of the key dates necessary for submitting a final EE plan to the WUTC in December of 2021. We will work with WUTC staff to determine the appropriate level of stakeholder involvement for filing the CPA.

CPA timeline	
CPA Technical Working Group	mid-May 2021
Draft CPA Results	June 2021
File CPA	July 30 2021
Seek WUTC Approval of 2022/2023 EE Targets	By August 30, 2021
Send approved targets to Energy Trust (EE Plan develop)	August 2021
Share Draft EE Plan with EEAG	October 11, 2021
Final Conservation Plan to WUTC	November 1, 2021

Technical Working Group Meetings for the 2022 IRP

The table below provides the approximate schedule for Technical Working Group meetings. Specific dates have not been determined. The first technical working group will begin after the draft DEQ rules have been published, in May 2021, and NW Natural has had a chance to contemplate options for modeling the program and can begin discussing methodologies for incorporating new policies.

Technical Working Group (TWG) Meetings	
Technical Working Group Supplement #1: Planning Standard in Detail	May 5, 2021
Technical Working Group Supplement #2: Load Forecasting Considerations of New Policies	July 15, 2021
Technical Working Group Supplement #3: Portfolio Modeling Considerations of New Policies	September 15, 2021
Technical Working Group #1: Planning Environment and Environmental Policy	January 18, 2022
Technical Working Group #2: Load Forecasting	February 12, 2022
Technical Working Group #3: Avoided Costs & Demand-Side Resource	February 26, 2022
Technical Working Group #4: Supply-Side Resources	March 12, 2022
Technical Working Group #5: Portfolio Results and Actions	March 31, 2022
Technical Working Group #6: Distribution System Planning	April 14, 2022
File Draft 2022 IRP	May 21, 2022
Comments Due Back by	June 18, 2022
File Final 2022 IRP	July 30, 2022

In addition to the Technical Working Group meetings, once the draft IRP has been completed, a public meeting will be held at NW Natural to review the draft and receive public comments. Customers will be notified of the draft IRP and the public meeting via bill inserts and the monthly eNewsletter. Additionally, customers will also be directed to the draft IRP on our website and the Company will ask for comments.

NW Natural expects that all workshops held in 2021 will be held only virtually, and tentatively plan for the workshops held in 2022 to be held at the NW Natural headquarters at 250 SW Taylor Street in Portland, Oregon, with an option for virtual attendance, but will monitor the COVID19 risks as we get closer to the meeting dates. We will also provide phone dial-in options for all meetings.

Content of 2021 Integrated Resource Plan

1. Executive Summary
 - Overview of Company and Resource Plan
 - Principal Conclusions from this Plan
 - 2022 IRP Multi-Year Action Plan
2. Planning Environment
 - Econometric/Demographic Factors
 - Gas Price Forecast
 - RNG Markets
 - New Technologies
3. Environmental Policy
 - Environmental Policy– Federal
 - Environmental Policy & Codes – State
 - Environmental Policy & Codes– Local
 - Carbon Price Forecast
4. Load Forecast
 - Customer Forecast
 - Climate Impacts
 - Residential & Commercial Forecasts
 - Industrial Forecast
 - Emerging Markets
 - Annual Load
 - Daily System Load Model
 - Planning Standard
 - Peak Day Forecast
 - Scenario Comparison

5. Avoided Costs
 - Components
 - Demand Side & Supply Side Applications
 - Results

6. Demand-Side Resources in Washington
 - Energy Efficiency Overview
 - Energy Efficiency Methodology
 - Demand-Side Management Forecasts
 - Demand Response
 - GeoTEE
 - Low Income Programs
 - Demand-Side Scenario Comparisons

7. Supply-Side Resources
 - Current Resources
 - Investments in Current Resources
 - Future Resource Alternatives (inclusive of RNG)
 - Supply-Side Scenario Comparison

8. Portfolio Results
 - Resource Planning Model Integration
 - Resource Planning Model Results
 - Emissions Forecast
 - Monte Carlo Simulation
 - Scenario Analysis

9. Distribution System
 - Peak Hour Forecasting
 - Distribution System Planning Criteria
 - Non-pipeline Solutions
 - Supply Side Resources
 - Projects
 - Alternatives Analysis
 - Preferred Option

10. Public Participation