

# Public Participation

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*PSE is committed to public involvement in the planning process. Stakeholder meetings generated valuable constructive feedback, and the suggestions and practical information we received from both organizations and individuals helped guide*

*the development of this 2011 IRP. We wish to thank all who participated.*

At the time this plan was filed with the Washington Utilities and Transportation Commission (WUTC), the following meetings had taken place: seven formal Integrated Resource Plan Advisory Group (IRPAG) meetings, numerous Conservation Resource Advisory Group (CRAG) meetings, and dozens of informal meetings and communications. Stakeholders who actively participated in one or more meetings include WUTC staff, 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 IRPAG meetings held to date. We especially want to thank those who attended these meetings, for both 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 the two groups meet separately, they have many members in common.

## ***1. Integrated Resource Planning Advisory Group (IRPAG)***

PSE works with external stakeholders through an informal group called the 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 2011 IRP, PSE engaged the IRPAG in two ways: through a series of structured IRPAG meetings, and in individual discussions 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. Other PSE departments were also invited to talk about topics of interest, such as the 2010 Request for Proposals (RFP). IRPAG meetings are open to all comers, including individual customers and other utilities.

In addition to the more structured IRPAG meetings, PSE spoke one-on-one with individual IRPAG members. These conversations were very productive, allowing a freer flow of ideas that would have been more difficult to achieve in group settings. The combination of one-on-one discussions and group meetings was particularly helpful in generating feedback.

Discussions with IRPAG members provide new avenues for broadening the scope of information available to PSE in our planning process. Additionally, these interactions enhance our thinking by bringing a variety of perspectives to the process. Following are specific examples of significant factors that were influenced by conversations with the IRP Advisory Group:

- **No Northwest Coal Sensitivity:** Conversations with stakeholders about the costs of reducing emissions via carbon pricing and coal plant closure prompted PSE to develop this sensitivity.
- **Capacity Contribution of Wind:** As we have done in the past, PSE initially planned to rely on regional studies for estimates of how wind contributes to capacity needs. Stakeholders suggested PSE could benefit from performing our own analysis, the results of which are presented and used in this IRP.

- Regional 10 percent Credit and Non-Energy Benefits for Conservation: PSE included these factors in the value of demand-side resources, as suggested by stakeholders.
- “Incremental Cost” of Renewables Analysis and 4 percent Revenue Requirement Cap: PSE had performed analysis to estimate whether the company would hit the cost cap under I-937 before the physical target. Stakeholders suggested this analysis be discussed in the IRP (Appendix I). Discussions with stakeholders results in some revision to the analysis.
- Additional Reports/Information: Stakeholders suggested that PSE provide a comparison between PSE’s IRP methodology and that of the Northwest Power and Planning Council. Also after their suggestion, we included the coversheet report from the Department of Commerce’s reporting requirements. Both can be found in Appendix B.

### ***Summary of IRPAG Meetings***

#### *A. IRPAG Kick-off Meeting, April 20, 2010*

PSE's 2011 IRPAG kick-off began with a discussion of lessons learned from the 2009 IRP process. We discussed key uncertainties, scenarios and sensitivities, and resource alternatives. PSE shared highlights from the IRP work plan. The company’s Resource Acquisition department gave a presentation on the status of the evaluation process for PSE’s Request for Proposals for All Generation Sources, which was underway at the time.

#### *B. IRPAG Meeting, July 22, 2010*

PSE invited the IRPAG to its Wild Horse Wind and Solar facility near Ellensburg, Wash. for an update on the IRP process followed by a tour of the facility. The meeting began with a discussion of current climate considerations, challenges and proposed legislation. This was followed by a continuation of the April discussion of proposed assumptions, scenarios, and sensitivities. PSE wrapped up the meeting portion of the day with a discussion about flexibility needs and wind integration.

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### *C. IRPAG Meeting, October 7, 2010*

This meeting began with an overview of our IRP analysis process and the methodology used for the demand side resources analysis. PSE presented an update on scenarios and sensitivities, resource alternatives and assumptions including gas prices, CO2 costs and the load forecast. PSE also presented draft electric price forecasts.

### *D. IRPAG Meeting, November 18, 2010*

PSE began by presenting a review of the load forecast. A discussion of resource need for both electric and gas followed. On the electric side, this included a discussion of renewable and capacity need, as well as the methodology for determining the appropriate value of wind power's contribution toward meeting capacity need. On the gas side, PSE discussed resource need to meet the needs of its gas sales book. The latter portion of the meeting focused on demand-side resources analysis process and potentials.

### *E. IRPAG Meeting, January 13, 2011*

The discussion began with a review of PSE's process for selecting a long-term resource plan, including a review of the scenario assumptions used in quantitative modeling. PSE presented both its electric and gas portfolio modeling results and next steps. The meeting concluded with a brief preview of the overall organization of the plan document.

### *F. IRPAG Meeting, March 15, 2011*

The March meeting offered a first look at PSE's draft electric and gas resource plans. PSE presented a review of the electric and gas analysis results. The resource planning team also offered a summary review of its electric and gas scenarios and sensitivities, its analytical approach to electric planning and its gas resource alternatives.

### *G. IRPAG Meeting, April 19, 2011*

PSE opened the April meeting with a request for feedback on its draft IRP. The draft was posted for public review on the company's web site on April 1, 2011. Afterward, PSE led a discussion of the incremental cost of renewable resources, followed by a detailed discussion of natural gas-fired peaking plants compared to combined cycle combustion turbines (CCCTs) in its planning analysis.

## ***2. 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.

The CRAG participated in the development of the 2011 IRP and energy efficiency program review through formal meetings in which it reviewed and offered feedback on the assessment of all demand-side resources (energy efficiency, fuel conversion, and demand response). The CRAG is also instrumental in reviewing IRP guidance to develop PSE's biennial energy efficiency targets and programs, as well as to review our progress toward achieving those targets. Many members participated in other aspects of the IRP advisory process as well.