

Meeting Summary

Integrated Resource Plan (IRP) Webinar on Draft Gas Portfolio Results

Meeting Information

- Tuesday, January 17 from 1 p.m. - 4 p.m.
- Virtual webinar hosted by PSE, facilitated by Triangle Associates
- Links to:
- [Meeting materials](#) (e.g. hot sheet and presentations)
- [Meeting recording](#)

Meeting Summary

Gas Utility IRP Introduction

This information is on [slides 8-11](#) of the presentation

- Phillip Popoff, Director, Resource Planning and Analysis, PSE, highlighted the difference between the gas utility, where demand is declining, and electric utility, where demand is increasing.
 - Phillip also noted the Climate Commitment Act (CCA) results and emissions impact indicate the portfolio meets CCA requirements but does not fully achieve the emissions reduction for Washington State. This means Washington State needs to adopt complimentary policies to achieve emission reduction.
- Troy Hutson, Director, Energy Equity, PSE, provided background on PSE's equity commitments. Troy discussed recent legislation that advanced the clean energy transition, which required a robust response from PSE to address equity in the electric utility.

- He explained that PSE has also begun to consider equity in the 2023 Gas Utility IRP and noted that work would expand in future IPR cycles.

Gas IRP Foundations

This information is on [slides 12-19](#) of the presentation

- Elizabeth Hossner, Manager, Resource Planning & Analysis, PSE, provided an overview of PSE's gas service area.
- Elizabeth explained how PSE addresses infrastructure reliability for gas the gas utility:
 - Conservative planning standard
 - Diverse transport resources
 - Gas storage for peak needs
 - Cooperation with regional entities such as the Northwest Mutual Assistance Agreement (NMAA)
- Elizabeth gave a regional overview of PSE's gas supply basins and hubs, pipelines, and alternative fuels.
- Planning for the Gas Utility IRP focuses on meeting CCA requirements, developing a portfolio of diversified, non-emitting resources, and ensuring infrastructure reliability and supply adequacy.
- Challenges, opportunities, considerations, and feedback from public participation helped shaped PSE's work on the Gas Utility IRP, including:
 - Climate Commitment Act (CCA)
 - Inflation Reduction Act (IRA)
 - Climate change data and modeling
 - Diversity in supply and alternative fuels
 - Electrification analysis
 - Examined State Energy Strategy (SES)
 - Examined no growth scenario
 - Considered alternative fuels

Resource Plan Modeling Results

This information is on [slides 20-35](#) of the presentation

- Gurvinder Singh, Consulting Energy & Resource Planning Analyst, PSE, provided an overview of the gas portfolio modeling analysis:
 - Inputs to the model are resources discussed in previous meetings such as gas and carbon adders, resource alternatives, and loads and existing resources. Inputs produce different portfolio outputs where their impact can be analyzed.
- Gurvinder explained the 2023 Gas IRP scenarios and sensitivities and highlighted the changes made based on the CCA final rules, hybrid heat pump market analysis, and the Washington State Energy Strategy Electrification Scenario.
- Gurvinder reviewed the key findings and themes of the 2023 Gas IRP including:
 - Incorporating updated state building codes
 - Non-renewal of pipeline capacity and alternative options
 - CCA impacts on alternative fuels, offsets, and allowance costs
 - Conservation impacts
- Gurvinder presented the preferred portfolio, which is based on the current environment and predicted future trends. The portfolio anticipates the ceiling market price to prevail as well as zero gas growth/decline. Gurvinder discussed:
 - CCA emissions are expected to be reduced by 18 percent by 2045
 - Resource builds by scenarios and sensitivities that appeared repeatedly
 - Demand-side conservation, electrification, and energy efficiency
 - Alternative fuel portfolio additions' impact on cost and emissions
 - Price breakdown for each portfolio

Electrification Analysis

This information is on [slides 37-47](#) of the presentation

- Gurvinder introduced PSE’s electrification study of demand impacts by service area and discussed the analysis process including base technologies, market and policy approaches, and impacts to energy, capacity, and costs.
- Gurvinder presented the draft results on the gas utility for the electrification scenario and hybrid heat pump policy sensitivity including the CCA emissions estimates for both.
- Elizabeth presented the impacts of PSE’s electric peak load increasing, and how PSE will stack resources to meet the increase in peak need. Other comparisons included:
 - CETA-compliant annual energy
 - Electric portfolio cost

Next Steps

This information is on [slides 68-70](#) of the presentation

- Sophie Glass, Facilitator, Triangle Associates, closed the meeting and shared the next steps for the Gas Utility IRP and Electric Progress Report.
- Gas Utility IRP Timeline:
 - *January 19* – A recording and transcript of the chat will be available.
 - *January 24* – Draft 2023 Gas Utility IRP posted
 - *December 19* – Feedback form for Jan. 17 meeting closes.
 - *February 7* – Deadline to submit feedback on draft 2023 Gas Utility IRP (Note: this deadline was extended to February 14 following the meeting.)
 - *March 14* – Final results presentation
 - *March 31* – Final 2023 Gas Utility IRP submitted
- Electric Progress Report Timeline:
 - *January 24* – Draft Chapter 3: Resource Plan of the 2023 Electric Progress Report posted; feedback form opens
 - *February 7* – Deadline to submit feedback on draft Ch. 3 of the 2023 Electric Progress Report

- *March 14* – Final results presentation
- *March 31* – Final 2023 Electric Progress Report submitted

Feedback

We are reviewing and considering feedback from the January 17 webinar and the draft Gas Utility IRP in finalizing the 2023 Gas Utility IRP.

Attendees (alphabetical by first name)

1. Amy Wheelless
2. Bradley Cebulko
3. Charlee Thompson
4. Chris Searcy
5. Don Marsh
6. James Adcock
7. Jennifer Snyder
8. Joel Nightingale
9. Rick Kunz
10. Stephanie Chase
11. Valerie Jacobson

Puget Sound Energy Staff Observers (alphabetical by first name)

1. Alexandra Karpoff
2. Allison Jacobs
3. Allison Mountjoy
4. Amreen Papar
5. Bala Dodoye-Alali
6. Bill Donahue
7. Bob Williams
8. Cindy Vu
9. Corey Corbett
10. Daihong Chen
11. Doug Hart
12. Elizabeth Hossner
13. Garret LaBove
14. Gurvinder Singh
15. Hannah Wahl
16. Jennifer Magat
17. Jesse Durst
18. Jisong Wu
19. Kara Durbin
20. Kelly Xu
21. Kendall Cammermeyer
22. Kevin Foley
23. Lorin Molander
24. Marc Alberts
25. Mark Lenssen
26. Meredith Mathis
27. Michelle W.
28. Nathan Critchfield
29. Nick Gemperle
30. Phillip Popoff
31. Ray Outlaw
32. Troy Hutson
33. Tyler Tobin
34. Wendy Gerlitz

Consultant Staff (alphabetical by first name)

1. Claire Moerder,
MFA
2. Claire Wendle,
Triangle Associates
3. Kim Zamora
Delgado, Triangle
Associates
4. Seth Baker, MFA
5. Sophie Glass,
Triangle Associates
6. Will Henderson,
MFA