

FINAL BILL REPORT

EHB 1826

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Synopsis as Enacted

Brief Description: Updating integrated resource plan requirements to address changing energy markets.

Sponsors: Representative Morris.

House Committee on Environment
Senate Committee on Energy, Environment & Telecommunications

Background:

Electric Utility Resource Planning.

All investor-owned and consumer-owned electric utilities in the state with more than 25,000 customers must develop an Integrated Resource Plan (IRP). All other utilities in the state, including full requirements customers that essentially receive all of their power from the Bonneville Power Administration, must file either an IRP or a less detailed resource plan.

An IRP must describe the mix of generating resources and conservation and efficiency resources that will meet current and projected needs at the lowest reasonable cost to the utility and its ratepayers. The IRP, at a minimum, must include:

- a range of forecasts, for at least the next 10 years, of projected customer demand;
- an assessment of commercially available conservation and efficiency resources;
- an assessment of commercially available, utility scale renewable and nonrenewable generating technologies;
- a comparative evaluation of renewable and nonrenewable generating resources;
- the integration of the demand forecasts and resource evaluations into a long-range assessment describing the mix of supply side generating resources and conservation and efficiency resources that will meet current and projected needs at the lowest reasonable cost and risk to the utility and its ratepayers; and
- a short-term plan identifying the specific actions to be taken by the utility consistent with the long-range IRP.

Reporting on the Adequacy of Washington's Electricity Supply.

The Department of Commerce is required to review the plans of investor-owned and consumer-owned electric utilities and data available from other state, regional, and national sources, and prepare an electronic report to the Legislature aggregating the data and assessing

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the overall adequacy of Washington's electricity supply. The report must include a statewide summary of utility load forecasts, load/resource balance, and utility plans for the development of thermal generation, renewable resources, and conservation and efficiency resources.

Summary:

Electric Utility Resource Planning.

In addition to other reporting requirements, electric utilities with more than 25,000 customers must include in their integrated resource plans an assessment of methods, technologies, or facilities for integrating renewable resources and addressing overgeneration events, if applicable to the utility's resource portfolio. This assessment is not required from full requirements customers of the Bonneville Power Administration

Additionally, integrated resource plans relating to the integration of the demand forecasts and resource evaluations into a long-term assessment must include a description of how overgeneration events are mitigated at the lowest reasonable cost and risk to the utility and its ratepayers.

All other electric utilities, when enumerating the resources that will be maintained and/or acquired to serve those loads, must provide in their resource plans an explanation of why methods, commercially available technologies, or facilities for integrating renewable resources, including to address an overgeneration event, were not chosen and why that decision was made.

An overgeneration event is defined as an event within an operating period of a balancing authority when the electricity supply, including generation from intermittent renewable resources, exceeds the demand for electricity for that utility's energy delivery obligations and when there is a negatively priced regional market.

Integrated Resources Plans Forecasting Range.

In addition to including a range of forecasts of projected customer demand for at least the next 10 years, electric utilities may include in their integrated resource plans a range of forecasts of projected customer demand longer than 10 years.

Reporting on the Adequacy of Washington's Electricity Supply.

In reporting on the adequacy of Washington's electricity supply, the Department of Commerce must provide an examination of assessment methods used by electric utilities to address overgeneration events.

Votes on Final Passage:

House	87	10	
Senate	48	0	(Senate amended)
House	86	9	(House concurred)

Effective: July 28, 2013