

**Deadline:** January 1, 2022

**Submission:** Email this workbook and all supporting documentation to [CETA@commerce.wa.gov](mailto:CETA@commerce.wa.gov)

**Questions:** Glenn Blackmon, Sarah Vorpahl, Austin Scharff, State Energy Office, [CETA@commerce.wa.gov](mailto:CETA@commerce.wa.gov)



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Do not modify blue-shaded fields.

#### RCW 19.405.060

##### Clean energy implementation plan—Compliance criteria—Incremental cost of compliance.

(2)(a) By January 1, 2022, and every four years thereafter, each consumer-owned utility must develop and submit to the department a four-year clean energy implementation plan for the standards established under RCW 19.405.040(1) and 19.405.050(1) that: (i) Proposes interim targets for meeting the standard under RCW 19.405.040(1) during the years prior to 2030 and between 2030 and 2045, as well as specific targets for energy efficiency, demand response, and renewable energy; (ii) Is informed by the consumer-owned utility's clean energy action plan developed under RCW 19.280.030(1) or other ten-year plan developed under RCW 19.280.030(5); (iii) Is consistent with subsection (4) of this section; and (iv) Identifies specific actions to be taken by the consumer-owned utility over the next four years, consistent with the utility's long-range resource plan and resource adequacy requirements, that demonstrate progress towards meeting the standards under RCW 19.405.040(1) and 19.405.050(1) and the interim targets proposed under (a)(i) of this subsection. The specific actions identified must be informed by the consumer-owned utility's historic performance under median water conditions and resource capability and by the consumer-owned utility's participation in centralized markets. In identifying specific actions in its clean energy implementation plan, the consumer-owned utility may also take into consideration any significant and unplanned loss or addition of load it experiences.

(b) The governing body of the consumer-owned utility must, after a public meeting, adopt the consumer-owned utility's clean energy implementation plan. The clean energy implementation plan must be submitted to the department and made available to the public. The governing body may adopt more stringent targets than those proposed by the consumer-owned utility and periodically adjust or expedite timelines if it can be demonstrated that such targets or timelines can be achieved in a manner consistent with the following: (i) Maintaining and protecting the safety, reliable operation, and balancing of the electric system; (ii) Planning to meet the standards at the lowest reasonable cost, considering risk; (iii) Ensuring that all customers are benefiting from the transition to clean energy: Through the equitable distribution of energy and nonenergy benefits and reduction of burdens to vulnerable populations and highly impacted communities; long-term and short-term public health and environmental benefits and reduction of costs and risks; and energy security and resiliency; and (iv) Ensuring that no customer or class of customers is unreasonably harmed by any resulting increases in the cost of utility-supplied electricity as may be necessary to comply with the standards.

(3)(a) An investor-owned utility must be considered to be in compliance with the standards under RCW 19.405.040(1) and 19.405.050(1) if, over the four-year compliance period, the average annual incremental cost of meeting the standards or the interim targets established under subsection (1) of this section equals a two percent increase of the investor-owned utility's weather-adjusted sales revenue to customers for electric operations above the previous year, as reported by the investor-owned utility in its most recent commission basis report. All costs included in the determination of cost impact must be directly attributable to actions necessary to comply with the requirements of RCW 19.405.040 and 19.405.050.

(b) If an investor-owned utility relies on (a) of this subsection as a basis for compliance with the standard under RCW 19.405.040(1), then it must demonstrate that it has maximized investments in renewable resources and nonemitting electric generation prior to using alternative compliance options allowed under RCW 19.405.040(1)(b).

(4)(a) A consumer-owned utility must be considered to be in compliance with the standards under RCW 19.405.040(1) and 19.405.050(1) if, over the four-year compliance period, the average annual incremental cost of meeting the standards or the interim targets established under subsection (2) of this section meets or exceeds a two percent increase of the consumer-owned utility's retail revenue requirement above the previous year. All costs included in the determination of cost impact must be directly attributable to actions necessary to comply with the requirements of RCW 19.405.040 and 19.405.050.

(b) If a consumer-owned utility relies on (a) of this subsection as a basis for compliance with the standard under RCW 19.405.040(1), and it has not met eighty percent of its annual retail electric load using electricity from renewable resources and nonemitting electric generation, then it must demonstrate that it has maximized investments in renewable resources and nonemitting electric generation prior to using alternative compliance options allowed under RCW 19.405.040(1)(b).

(5) The commission, for investor-owned utilities, and the department, for consumer-owned utilities, must adopt rules establishing the methodology for calculating the incremental cost of compliance under this section, as compared to the cost of an alternative lowest reasonable cost portfolio of investments that are reasonably available.

#### WAC 194-40-200

##### Clean energy implementation plan.

(1) **Specific actions.** Each utility must identify in each CEIP the specific actions the utility will take during the next interim performance period or GHG neutral compliance period to demonstrate progress toward meeting the standards under RCW 19.405.040(1) and 19.405.050(1) and the interim targets under subsection (2) of this section and the specific targets under subsection (3) of this section. Specific actions must be consistent with the requirements of RCW 19.405.060 (2)(a)(iv).

(2) **Interim target.** The CEIP must establish an interim target for the percentage of retail load to be served using renewable and nonemitting resources during the period covered by the CEIP. The interim target must demonstrate progress toward meeting the standards under RCW 19.405.040(1) and 19.405.050(1), if the utility is not already meeting the relevant standard.

(3) **Specific targets.** The CEIP must establish specific targets, for the interim performance period or GHG neutral compliance period covered by the CEIP, for each of the following categories of resources:

(a) **Energy efficiency.** (i) The CEIP must establish a target for the amount, expressed in megawatt-hours of first-year savings, of energy efficiency resources expected to be acquired during the period. The energy efficiency target must comply with WAC 194-40-330(1). (ii) A utility may update its CEIP to incorporate a revised energy efficiency target to match a biennial conservation target established by the utility under RCW 19.285.040 (1)(b) and WAC 194-37-070.

(b) **Demand response resources.** The CEIP must specify a target for the amount, expressed in megawatts, of demand response resources to be acquired during the period. The demand response target must comply with WAC 194-40-330(2).

(c) **Renewable energy.** The utility's target for renewable energy must identify the quantity in megawatt-hours of renewable electricity to be used in the period.

(4) **Specific actions to ensure equitable transition.** To meet the requirements of RCW 19.405.040(8), the CEIP must, at a minimum:

(a) Identify each highly impacted community, as defined in RCW 19.405.020(23), and its designation as either: (i) A community designated by the department of health based on cumulative impact analyses; or (ii) A community located in census tracts that are at least partially on Indian country.

(b) Identify vulnerable populations based on the adverse socioeconomic factors and sensitivity factors developed through a public process established by the utility and describe and explain any changes from the utility's previous CEIP, if any;

(c) Report the forecasted distribution of energy and nonenergy costs and benefits for the utility's portfolio of specific actions, including impacts resulting from achievement of the specific targets established under subsection (3) of this section. The report must: (i) Include one or more indicators applicable to the utility's service area and associated with energy benefits, nonenergy benefits, reduction of burdens, public health, environment, reduction in cost, energy security, or resiliency developed through a public process as part of the utility's long-term planning, for the

provisions in RCW 19.405.040(8); (ii) Identify the expected effect of specific actions on highly impacted communities and vulnerable populations and the general location, if applicable, timing, and estimated cost of each specific action. If applicable, identify whether any resource will be located in highly impacted communities or will be governed by, serve, or otherwise benefit highly impacted communities or vulnerable populations in part or in whole; and (iii) Describe how the specific actions in the CEIP are consistent with, and informed by, the utility's longer-term strategies based on the analysis in RCW 19.280.030 (1)(k) and clean energy action plan in RCW 19.280.030(1)(l) from its most recent integrated resource plan, if applicable.

(d) Describe how the utility intends to reduce risks to highly impacted communities and vulnerable populations associated with the transition to clean energy.

(5) **Use of alternative compliance options.** The CEIP must identify any planned use during the period of alternative compliance options, as provided for in RCW 19.405.040 (1)(b).

(6) The CEIP must be consistent with the most recent integrated resource plan or resource plan, as applicable, prepared by the utility under RCW 19.280.030.

(7) The CEIP must be consistent with the utility's clean energy action plan developed under RCW 19.280.030(1) or other ten-year plan developed under RCW 19.280.030(5).

(8) The CEIP must identify the resource adequacy standard and measurement metrics adopted by the utility under WAC 194-40-210 and used in establishing the targets in its CEIP. (9) If the utility intends to comply using the two percent incremental cost approach specified in WAC 194-40-230, the CEIP must include the information required in WAC 194-40-230(3) and, if applicable, the demonstration required in WAC 194-40-350(2).

(10) Any utility that is not subject to RCW 19.280.030(1) may meet the requirements of this section through a simplified reporting form provided by commerce.

<b>Utility name:</b>	Public Utility District No. 1 of Grays Harbor County
<b>Report date:</b>	
<b>Contact name/Dept:</b>	Shailesh Shere, Engineering Director
<b>Phone:</b>	(360) 538-6440
<b>Email:</b>	<a href="mailto:powermanager@ghpud.org">powermanager@ghpud.org</a>
<b>Web address of published CEIP:</b>	<a href="http://www.ghpud.org">www.ghpud.org</a>
<b>Small utility:</b>	No

A small utility is a utility that is not required by RCW 19.280.030(1) to prepare an integrated resource plan.

**Interim target: Percentage of retail load to be served using renewable and nonemitting resources (WAC 194-40-200(2))**

Resource	2022	2023	2024	2025	4-year Period
Renewable	84%	84%	84%	84%	84%
Nonemitting	10%	10%	10%	10%	10%
Total	94%	94%	94%	94%	94%

[Small utilities may enter a single value in cell G6 and leave the remaining cells blank.]

Describe how the target demonstrates progress toward meeting the 2030 and 2045 CETA standards (WAC 194-40-200(2)). This section is not required if the value in cell G6 is 80% or greater :

(Not Applicable)
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**Specific targets (WAC 194-40-200(3)):**

Resource	Amount	
Energy Efficiency	4,774	MWh to be acquired over the interim performance period (measured in first-year savings)
Renewable energy	202,356	MWh to be used during the interim performance period (provided in 1-year increment)
Demand response	0	MW to be acquired over the interim performance period

Identify and describe the specific actions the utility will take over the next interim performance period to demonstrate progress toward meeting the utility's interim targets and the 2030 GHG neutral and 2045 clean electricity standard (WAC 194-40-200(1)):	
Specific action proposed	Description of how the action demonstrates progress toward meeting interim targets and the standards
EE and Low-Income Programs	GHPUD will continue to offer, implement and evaluate available EE and Low-Income measures and programs offered by BPA and/or any other agency. GHPUD will explore and perform a cost benefit analysis of any new measures where appropriate, to meet the energy efficiency target identified for this CEIP. Pursuing energy efficiency will help manage load growth to comply with CETA's future clean energy standards.
Smart thermostat DR program	GHPUD will explore and conduct a preliminary investigation of whether smart thermostat programs can be a cost-effective resource will help GHPUD reduce peak demands which may reduce the need for new resources.
Customer Benefits Survey	GHPUD will develop a Customer Benefits Survey to help us understand how our customers view their communities and how the transition to cleaner electricity could help shape the future and to evaluate current uses of programs and energy consumption overall.
Evaluate Power Supply Contract Options	GHPUD will work with BPA to explore our power supply product options to better meet CETA requirements. The contract period is likely to be 20-years. 20-years is the maximum allowed by BPA's statutes, which would be a possible end date of 2048. BPA's energy mix is generally between 95% and 98% carbon free.
GHPUD Substations, transmission and distribution systems Maintenance and Replacement	GHPUD will continue evaluation and adopt a capital budget program that includes an extensive substation, transmission and distribution system maintenance and replacement plan to ensure continued energy reliability.
Energy Assistance Program	Short-term reduction of energy burden on low-income households.

**Highly impacted communities (WAC 194-40-200(4))**

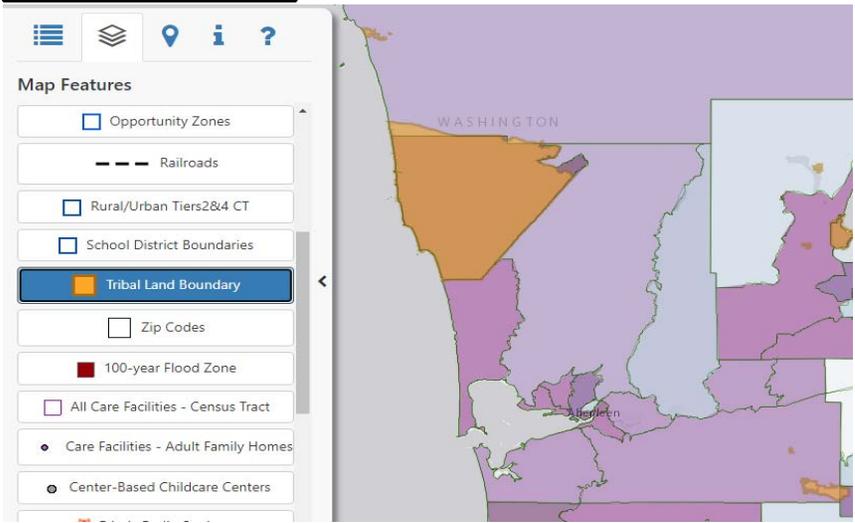
Report each Highly Impacted Community in the table below.

Highly Impacted Community is defined in RCW 19.405.020(23) as:  
 (23) "Highly impacted community" means a community designated by the department of health based on cumulative impact analyses in RCW 19.405.140 or a community located in census tracts that are fully or partially on "Indian country" as defined in 18 U.S.C. Sec. 1151.

Department of Health has designated Highly Impacted Communities as those ranking 9 or 10 on the Environmental Health Disparities map. Visit the Department of Health website for instructions on how to identify Highly Impacted Communities:  
<https://www.doh.wa.gov/DataandStatisticalReports/WashingtonTrackingNetworkWTN/ClimateProjections/CleanEnergyTransformationAct/CETAUtilityInstructions>

Census Tract (enter 11 digit FIPS code)	County Name	Tribal Lands (Yes/No)	Environmental Health Disparities Topic Rank
53041970100	Lewis	No	3
53067012730	Thurston	No	5
53049950200	Pacific	No	4
53067011900	Thurston	No	2
53067011810	Thurston	No	2
53027000800	Grays Harbor	No	2
53027000900	Grays Harbor	No	7
53027001100	Grays Harbor	No	4
53027001300	Grays Harbor	No	6
53027001400	Grays Harbor	No	4
53027001500	Grays Harbor	No	4
53027001200	Grays Harbor	No	7
53027000500	Grays Harbor	No	4
53027000600	Grays Harbor	No	4
53027001600	Grays Harbor	No	2
53027000400	Grays Harbor	No	1
53045961300	Mason	Yes	5
53045960200	Mason	Yes	2
53045960100	Mason	Yes	1
53067012720	Thurston	Yes	7
53049950300	Pacific	Yes	4
53031950702	Jefferson	Yes	1
53027001000	Grays Harbor	Yes	8
53027000300	Grays Harbor	Yes	2
53027000700	Grays Harbor	Yes	4
53027000200	Grays Harbor	Yes	1
53027940000	Grays Harbor	Yes	3

**NOTE:** Currently, as it stands, GHPUD does not have Highly Impacted communities outside of tribal lands. We will continue to monitor our Census Tracts and highly impacted communities potential.



**Vulnerable populations (WAC 194-40-200(4))**

Please list all socioeconomic factors and sensitivity factors developed through a public process and used to identify Vulnerable Populations based on the definition in RCW 19.405.020(40):

(40) "Vulnerable populations" means communities that experience a disproportionate cumulative risk from environmental burdens due to:

- (a) Adverse socioeconomic factors, including unemployment, high housing and transportation costs relative to income, access to food and health care, and linguistic isolation; and
- (b) Sensitivity factors, such as low birth weight and higher rates of hospitalization

Factors	Details	Source	Date Last Updated	Approximate number of households in service territory (if applicable)
<i>Ex. COVID cases</i>	<i>Cases by race and ethnicity</i>	<i>Department of Health COVID-19 data dashboard</i>	<i>2021</i>	<i>1,000</i>
Low-Income Disabled Customers Participating in GHPUD Low-Income Program	Disabled customers in residential households experiencing income levels meeting 125% or less of the federal poverty thresholds.	GHPUD CIS System	2021	850
Low-Income Senior (62+) Customers Participating in GHPUD Low-Income Program	Customers who are 62 years or older in residential households experiencing income levels meeting 125% or less of the federal poverty thresholds.	GHPUD CIS System	2021	1658
Low-Income Customers Participating in Low-Income Energy Efficiency Program	Cumulative Low-Income customers, including measures count, in residential households experiencing income levels meeting 200% or less of the federal poverty thresholds.	GHPUD eNW System	2021	414 Total Measures/Projects 364 Customers
Historical Accounts in Arrears	Customers in arrears for greater than 90-days	GHPUD CIS System	2019	135
Seniors Living Alone	Age 65+ and living alone	WTN Census Data	2020	4,690
People with disabilities	People with disabilities including, but not limited to one, or more, of the following : hearing, vision, cognitive, ambulatory, self-care difficulty and individual living difficulty.	WTN Census Data	2020	12,620
Language Barriers	Residents 18-years or older that speak a language other than English, and, or speak English less than very well.	WTN Census Data	2020	2940

**Describe and explain any changes to the factors from the utility's previous CEIP, if any:**

This report is Grays Harbor PUD's first initial report; therefore, there are no changes to the indicator from the previous CEIP.

Indicators that have the potential to change, and will be monitored for future CEIP's, are transportation improvements and internet access, availability and reliability.

**Distribution of energy and non-energy costs and benefits (WAC 194-40-200(4))**

Please report one or more indicators, developed through a public process, and used to identify the forecasted distribution of energy and non-energy costs and benefits for the utility's portfolio of specific actions, including impacts resulting from achievement of the specific targets established under WAC 194-40-200(3).

Indicators must be associated with one of the following categories: energy benefits, non-energy benefits, reduction of burdens, public health, environment, reduction in cost, energy security, or resiliency.

Category	Indicator	Details	Source	Date Last Updated
Ex. Resiliency	Number of outages in utility census tracts	Use SAIDI, CAIDI and SAIFI data geolocated across service territory	Utility data	2020
Reliability	Number of outages in utility census tracts	Utility Data	Utility Data	2020
Energy Benefits	Distribution of program participation and incentive dollars	Utility Data - Energy Services Project Tracking Database - eNW	Utility data	2021
Reduction of Energy Burden	Participation in Low-Income HVAC and Weatherization Program	Utility Data - Energy Services Project Tracking Database - eNW	Utility data	2021
Environment	Power Supply Fuel Mix	Fuel Mix Report	BPA Reports and Power Supply Contracts	2021
Customer Involvement	Availability of Outreach Methods and Communication	Utility Data	Utility data	2021

Please report the forecasted distribution of energy and non-energy costs and benefits on identified highly impacted communities and vulnerable populations for the utility's portfolio of specific actions, including impacts resulting from achievement of the specific targets established under WAC 194-40-200(3). You must do a separate row for each action and for each population affected.

Identify the expected effect of specific actions on highly impacted communities and vulnerable populations and the general location, if applicable, timing, and estimated cost of each specific action. If applicable, identify whether any resource will be located in highly impacted communities or will be governed by, serve, or otherwise benefit highly impacted communities or vulnerable populations in part or in whole.

Utility Specific Action or (e.g. name of resource or program)	Population(s) Affected	Indicator	Detail (describe distribution of energy and non-energy benefits on named population)	Location of Resource (if applicable)
Ex. Replace substation	Tribe	resiliency		substation address
Continued offering Low-Income Energy Efficiency Programs	All vulnerable and highly impacted communities	Energy Benefit and Participation in Program	GHPUD will continue to offer, implement and evaluate available EE and Low-Income measures and programs offered by BPA and/or any other agency. GHPUD will explore and perform a cost benefit analysis of any new measures where appropriate, to meet the energy efficiency target identified for this CEIP. Pursuing energy efficiency will help minimize load growth, and reduce the need for new energy resources to comply with CETA's future clean energy standards.	N/A
Smart Thermostat DR Program	All vulnerable and highly impacted communities	Energy Benefit	GHPUD will explore and conduct a preliminary investigation of whether smart thermostat programs can be a cost-effective resource will help GHPUD reduce peak demands which may reduce the need for new resources.	N/A
Customer Benefits Survey	All Customers	Energy Benefit	GHPUD will develop a Customer Benefits Survey to help us understand how our customers view their communities and how the transition to cleaner electricity could help shape the future and to evaluate current uses of programs and energy consumption overall.	N/A
Evaluate Power Supply Contract Options	All Customers	Energy Security Resiliency Environment	GHPUD will work with BPA to explore our power supply contract options to ensure a carbon-free power supply product. The contract period is likely to be 20-years. 20-years is the maximum allowed by BPA's statutes, which would be a possible end date of 2048. BPA's energy mix is generally between 95% and 98% carbon free.	N/A
GHPUD Substations, Transmission and Distribution Systems Continued Maintenance and Replacement	All Customers	Reliability	GHPUD will continue evaluation and adopt a capital budget program that includes an extensive substation, transmission and distribution system maintenance and replacement plan to ensure continued energy reliability.	Throughout our service territory
Continued Offering of Energy Assistance Program	All vulnerable and highly impacted communities	Energy Benefit and Participation in Program	Short-term reduction of the energy burdens on low-income households in collaboration with community partners.	N/A
Marketing, Education and Assistance Programs	All vulnerable and highly impacted communities	Outreach and Communication	Increased awareness on energy consumption and cost and how it effects the local community (jobs and environment).	N/A

**Integrated resource plan compliance (WAC 194-40-200(6))**

This CEIP is consistent with the most recent integrated resource plan or resource plan, as applicable, prepared by the utility under RCW 19.280.030. **Select yes or no.**

Yes

**Clean energy action plan compliance (WAC 194-40-200(7))**

The CEIP is consistent with the utility's clean energy action plan developed under RCW 19.280.030(1) or other ten-year plan developed under RCW 19.280.030(5). **Select yes or no.**

no

**NOTE:** Initial Clean Energy Action Plan is under development.

**Long-term plans (WAC 194-40-200(4)(c)(iii))**

Describe how the specific actions in the CEIP are consistent with, and informed by, the utility's longer-term strategies based on the analysis in RCW 19.280.030 (1)(k) and clean energy action plan in RCW 19.280.030 (1)(l) from its most recent integrated resource plan, if applicable:

GHPUD completed an IRP in 2020, which included a five-part action plan. The Action Plan items are listed below:

**Action Item # 1:** Retain BPA Tier 1 Power: While BPA Tier 1 Power will decrease over time due the decrease in efficiency and water year, GHPUD will retain its BPA Tier 1 power allocation under the new BPA contract that begins October 2028. While wholesale market prices are currently less than BPA Tier 1 rates, market prices are for flat blocks of power. In order to compare market prices to BPA's rates, the cost of shaping market purchases to follow hourly loads would need to be added to the market price of power. Relying on the wholesale market to serve a greater percentage of their load requirements exposes utilities to supply, price and carbon risks. BPA's resources are carbon-free and, under CETA, GHPUD will need to be carbon neutral by 2030 and carbon-free by 2045. All power supply contracts will be in compliance with the requirements of this law.

**Action Item #2:** Monitor Renewable Energy Purchase Alternatives: In addition to the power supply contracts and REC purchases in place with CCAP, SPI, Cosmo and Nine-Canyon, and based on the current load forecast, new resources are not needed to serve load growth until 2027. In addition to serving its load requirements, GHPUD is required to comply with renewable energy purchase requirements under the EIA. GHPUD is short on renewable energy credits beginning in 2028. The lowest cost and lowest risk portfolio that complies with the renewable energy purchase requirements is to purchase a combination of solar and wind power to serve load, and meet the EIA's renewable energy requirements, using the REC's associated with the solar and wind purchases and REC purchases. GHPUD will continue to monitor the cost of renewable resources, REC's and market prices to identify a blend of solar, wind and REC purchases that can best serve load growth and meet EIP requirements. In addition, beginning in 2022 as GHPUD prepares to ramp up to carbon neutrality in 2030, GHPUD will consider beginning to take steps to offset the small amount of carbon included in its BPA and wholesale market purchases with REC purchases and/or carbon offsets.

**Action Item #3:** Pursue Cost-Effective Energy Efficiency Measures Identified in CPA: Energy efficiency is a useful mechanism for utilities to control future demand growth and mitigate emissions by finding ways to introduce efficiencies which reduce consumption. The cost-effective energy efficiency measures identified in GHPUD's 2021 CPA, are the least expensive resources available to GHPUD. Implementing these measures will reduce GHPUD's load growth, which will reduce GHPUD's market price risk exposure since loads in excess of existing resource capabilities are served by market purchases. GHPUD has made a commitment to pursuing identified opportunities consistent with regulatory compliance and Commission approval.

**Action Item #4:** Local Resources: In order to diversify its resources portfolio, increase its self-sustainability and decrease its dependence on BPA transmission to serve load and potentially reduce its wholesale transmission costs, GHPUD will continue to promote local resource development and consider pursuing state and federal grant money that would allow GHPUD to accelerate local resource development. Potential local resources include small scale solar, micro-hydro projects, cogeneration at wastewater treatment plants, landfill gas projects, wind projects and batter storage systems that complement solar and wind projects and provide backup in the event of transmission contingency.

In addition, GHPUD currently has near 100 customers with rooftop solar installations. Despite recent tariffs on imported solar panels, the cost of solar power is expected to continue to decrease. The downward trajectory of solar costs and increased interest in carbon-free resources by residential, commercial and industrial customers will likely lead to an increase in rooftop solar installations in GHPUD's service territory. GHPUD will consider taking steps to prepare itself for continued growth in rooftop solar installations so that GHPUD can be in a better position to operate a truly "smart" and efficient grid. This would ultimately result in lower distribution system and power supply costs.

**Action Plan #5: Demand Response (DR):** GHPUD would gauge its customers' interest in participating in demand response programs. If enough customers are interested, GHPUD will pursue the installation of Demand Response Units to help GHPUD reduce its peak demands and, thus, its market power costs. In order to identify opportunities to implement cost-effective demand response programs in its service territory, GHPUD will conduct a Demand Response Potential Assessment allows utilities to call on its customers to reduce their demand, typically in critical or high demand periods, which reduces total demand and can help mitigate a capacity need. GHPUD has both commercial and industrial customers with processes that make them candidates for demand response. Those customers will continue to be evaluated and contacted and energy efficiency audits will be performed to assess interest and potential DR programs.

In conclusion, this CEIP is consistent with the above listed Action Plan from the 2020 Grays Harbor PUD Integrated Resource Plan. The CEIP assumes all above strategies will continue, and support compliance with CETA's requirements for carbon neutral energy beginning in 2030, and providing support and energy conservation options for all members, including the vulnerable and highly impacted communities.

**Risk (WAC 194-40-200(4)(d))**

Describe how the utility intends to reduce risks to highly impacted communities and vulnerable populations associated with the transition to clean energy.

GHPUD's Mission Statement is to Serve our community with high value utility services at the lowest practical cost. GHPUD's fuel mix over a 20 year average consists of 6% unspecified purchases. GHPUD's 2020 fuel mix consists of 3.74% unspecified purchases.

GHPUD will analyze the risks to mitigate posed 3.74% unspecified purchases to highly impacted communities and vulnerable populations centered on the following primary categories:

**Education:** This includes awareness of energy consumption and efficiency literacy topics, including how to best operate equipment to minimize energy usage and understanding the importance of preventative.

**Renters/Landlord Split Incentive:** This category of risks stems from the difference in motivations between landlords, who own the property and seek to minimize capital costs, and renters, who typically pay the utility bill.

**Program Requirements and Income Limits:** Seniors and others may need assistance, but may be unaware that they qualify, or may be just beyond the limits of established programs.

Based on the above considerations, GHPUD identified the following strategies to reduce the risks to highly impacted communities and vulnerable populations in its service territory, some of which it has already begun to implement:

- 1. Expand energy education.** For many years, GHPUD has participated in the County Fair and Home and Garden Shows held at the Elma Fairgrounds. In addition, GHPUD has offered presentations about residential energy efficiency and the various programs available to groups including senior and homeowner associations as well as mobile home communities. GHPUD plans to broaden these efforts to increase awareness of energy efficiency opportunities among a more diverse audience by expanding their outreach to specifically address needs of vulnerable populations in our communities.
- 2. Expand energy efficiency program communications.** GHPUD currently advertises its residential energy efficiency programs through several channels, including the GHPUD website, monthly newsletters, radio programs, social media and local advertisements. Beginning in 2022, GHPUD will evaluate and work towards offering additional translated print and website materials with the hope of reaching a broader audience.
- 3. Expand the Senior/Disabled/Low-Income Discount Program.** GHPUD has offered a senior/disabled/low-income program for many years. In 2022, we will develop a plan to reach out to all currently active discount customers to offer them energy efficiency advice and low-income energy efficiency opportunities. GHPUD plans to further increase awareness and enrollments into his program by advertising it during public events and providing translated program materials to additional languages. GHPUD will also re-evaluate the program requirements to identify if eligibility can be expanded. GHPUD has contacted community partners to further identify povish customers that have not yet identified by current programs.

**Public participation (WAC 194-40-200(4), -220(1))**

Provide a summary of the public input process conducted in compliance with WAC 194-40-220. Describe how public comments were reflected in the specific actions under WAC 194-40-200(4), including the development of one or more indicators and other elements of the CEIP and the utility's supporting integrated resource plan or resource plans, as applicable.

As a Public Utility, GHPUD welcomes input from our members any time. GHPUD has various contact methods listed on our website ([www.ghpud.org](http://www.ghpud.org)), maintains social media pages which are monitored for member reactions and concerns, provides space for comments on their bills, and conducts Public Meetings, where public comments can be made, twice monthly.

In addition, GHPUD chooses to engage directly with the community and community organizations serving vulnerable populations in its service territory through social media posts and by participating in the County Fair, Home and Garden Show, conducting at-home, in-person, energy efficiency audits. In addition, GHPUD will continue working with community partners such as CCAP, the United Way and NeighborWorks of Grays Harbor to provide energy efficiency education and opportunities.

In order to gauge our customers understanding of the clean energy transition, GHPUD has conducted a customer survey to help us understand the benefits our customers want to see from the clean energy transition and inform the types of programs we develop to benefit our community as we implement GHPUD's first CEIP. The results of the survey will help direct our future power purchases and customers programs.

**Use of alternative compliance options (WAC 194-40-200(5))**

Identify any planned use during the period of alternative compliance options, as provided for in RCW 19.405.040(1)(b):

Alternative compliance payments:	0	Dollars
Unbundled renewable energy credits:		Credits
Credits from energy transformation projects:	0	MWh
Electricity from the Spokane municipal solid waste to energy facility:	0	MWh

**Resource adequacy standard (WAC 194-40-200(8))**

Identify the resource adequacy standard and measurement metrics adopted by the utility under WAC 194-40-210 and used in establishing the targets in the CEIP.

<b>Resource adequacy standard</b>	<p>BPA assures its power supply is available to meet its firm power supply obligation on a long term planning, forecast, basis. As directed by the Pacific Northwest Electric power planning and Conservation Act, a fundamental statutory purpose for BPA is to assure it has an adequate supply of power, which BPA meets through its power planning function As guided by the Northwest power and Conservation Council power Plan.</p> <p>BPA’s firm power supply obligation under the Northwest power Act means BPA supplies all the power a customer needs to serve their retail consumer demands on a continuous basis except for reasons of force majeure. This obligation takes into account and is adjusted by the amount of non-federal power/resources Grays Harbor PUD uses to serve their load and by the type of product the Grays Harbor PUD elects to purchase from BPA. BPA’s currently effective Regional Dialogue load Following Contracts obligates BPA to supply all the electricity required to meet the second to second variation in the Grays Harbor PUD’s load net of the Grays Harbor PUD’s non-federal resources.</p> <p>GHPUD participates in the the Western Resource Adequacy Program (WRAP), administered by the Northwest Power Pool (NWPP) and also includes a 12% planning margin in its resource planning criteria within its Integrated Resource Plan. In another analysis, based on the NWPP WRAP, a high level/preliminary view of summer and winter using Block/Slice was conducted. A higher planning reserve margin (PRM) percentage for winter (13%) and 9% for summer was used, resulting in no added diversity benefit for the region’s expected diversity, which could amount to a ~3% reduction to the end of day summer/winter PRM.</p>
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<b>Methods of measurement</b>	<p>BPA uses its Resource Program, which includes a Needs Assessment that examines on a 10-year forecast basis the uncertainty in customer loads, expected water conditions affecting federal hydro production (including Biological Opinion requirements), resource availability, natural gas prices, and electricity market prices to develop a least-cost portfolio of resources that meet Bonneville’s obligations. The goal of the Needs Assessment, which is one of the early steps in the Resource Program, is to measure Bonneville’s existing system, in relative isolation, against Bonneville’s obligations to supply power to show whether any long-term energy and/or capacity shortfalls may occur over the 10-year study horizon. The Needs Assessment forecasts Bonneville’s needs for long-term energy and capacity based on resource capabilities and projected obligations to serve power. The Needs Assessment informs later steps of the Resource Program, where resource optimization techniques are used to evaluate and select potential solutions for meeting Bonneville’s long-term needs based on cost and risk.</p> <p>The Needs Assessment uses the following four metrics to assess Bonneville’s long-term energy and capacity needs:</p> <ul style="list-style-type: none"> <li>• Annual Energy: Evaluates the annual energy surplus/deficit under 1937 critical water conditions, using forecasted load obligations and expected Columbia Generating Station output.</li> <li>• P10 Heavy Load Hour: Evaluates the 10th percentile (P10) surplus/deficit over heavy load hours, by month, given variability in hydropower generation, load obligations, and Columbia Generating Station output amounts.</li> <li>• P10 Superpeak: Evaluates the P10 surplus/deficit over the six peak load hours per weekday by month, given variability in hydropower generation, load obligations, and Columbia Generating Station output.</li> <li>• 18-Hour Capacity: Evaluates the surplus/deficit over the six peak load hours per day during three-day extreme weather events and assuming median water conditions. Winter and summer extreme weather events, such as cold snaps or heat waves, are analyzed, both of which assume maximum delivery of the Canadian Entitlement outside of the region, zero wind generation, and limited energy market purchases. Winter events assume reduced streamflows due to impacts from ice forming in reservoirs. Summer events assume reduced Columbia Generating Station output due to adverse weather conditions, as the plant must power down during high temperatures for safety reasons.</li> </ul>
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