



# Integrated Resource Plan (IRP) Stakeholder Meeting Hot Sheet

**Meeting Name:** Integrated Resource Plan (IRP) Stakeholder Meeting on 2023 Electric Progress Report Assumptions  
**Meeting Date and Time:** March 22, 2022 from 9 a.m. to 12 p.m.

Agenda Topic	The Least You Should Know...
Climate Commitment Act	<ul style="list-style-type: none"> <li>• The Climate Commitment Act (CCA) is a new state law and rules are being written now to implement.</li> <li>• The law creates a cap-and-invest program that sets an overall limit on greenhouse gas (GHG) emissions in the state that declines over time. Utilities must comply by covering their emissions under the cap – either through emissions allowances and/or emissions reductions.</li> <li>• Washington Department of Ecology is responsible for drafting the rules and compliance. Rules will be final this fall and program will start on Jan. 1, 2023.</li> <li>• As a market-based program, the CCA will put a price on carbon that will affect IRP price forecasting.</li> </ul>
Carbon Prices and the Social Cost of Greenhouse Gases	<ul style="list-style-type: none"> <li>• PSE's approach is to apply CCA as a carbon cost on the electric portfolio. Given that we're ahead of the final CCA rules and don't have information on allowances, we're not modeling allowances on electric side and instead focusing on it as a carbon cost.</li> <li>• PSE plans to apply CCA as a direct cost in dispatch. PSE plans to apply social cost of greenhouse gas emissions (SCGHG) as an externality cost after dispatch cost.</li> <li>• PSE will use California pricing as carbon cost (to be discussed in a different section of today's meeting).</li> </ul>
Electric Supply Side Resource Alternatives	<ul style="list-style-type: none"> <li>• PSE is concurrently working to establish resource need, determine planning assumptions, and identify resource alternatives.</li> <li>• PSE has updated assumptions for:               <ul style="list-style-type: none"> <li>◦ Costs: Using 2021 National Renewable Energy Lab (NREL) Annual Technology Baseline (ATB) costs.</li> <li>◦ Updated resource assumptions: battery storage, pumped storage, and hybrid resource assumptions.</li> </ul> </li> <li>• PSE is considering a variety of generic resources, including wind and solar, battery storage, hybrid renewables + storage, thermal facilities, and emerging technologies</li> </ul>
Regional Assumptions for Electric Price Forecasts	<ul style="list-style-type: none"> <li>• Timing for carbon price in the energy planning process and the final CCA rules don't align, so we need to estimate carbon pricing for our analysis.</li> <li>• PSE looking at expected forecast, ceiling, and floor based on California Clean Air Resources Board (CARB).</li> <li>• PSE incorporating climate change assumptions consistent with Northwest Planning and Conservation Council into regional demand and hydro condition assumptions.</li> </ul>

Slide deck is available on the [IRP website](#)  
 Additional questions or concerns? Please reach out to [irp@pse.com](mailto:irp@pse.com).