

Compliance with Public Utility Regulatory Policies Act RES

Economic Development, Technology & City Light
Committee

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Seattle City Light

WE POWER SEATTLE

Public Utility Regulatory Policies Act (PURPA)

- In 1978, Congress passed the Public Utility Regulatory Policies Act (PURPA) as part of the National Energy Act.
- PURPA followed the 1970s energy crisis, with a three-fold purpose:
 - Energy conservation (reduce demand),
 - Domestic energy & renewable energy (increase supply),
 - Ensure fair rates.
- PURPA realized this by promoting energy projects (e.g., QFs) and industry transformation, the latter through energy "standards."
 - Standards propose initiatives for state regulatory bodies, including municipals such as City Light, to consider for adoption.
- PURPA originally had five standards; now there are 21!

New Requirements under PURPA

- In 2021, Congress amended PURPA through the Infrastructure Investment & Jobs Act (Jobs Act) and added two new standards.
- Entities "shall consider" adopting 1) demand response, and 2) vehicle electrification policies.
 - "Shall consider" is a procedural requirement – an evaluation!
 - PURPA imposes no duty to adopt a standard.
 - Waivable if entity or state has already adopted comparable standards.
- Proposed Council Resolution documents City Light's compliance with the new requirements.

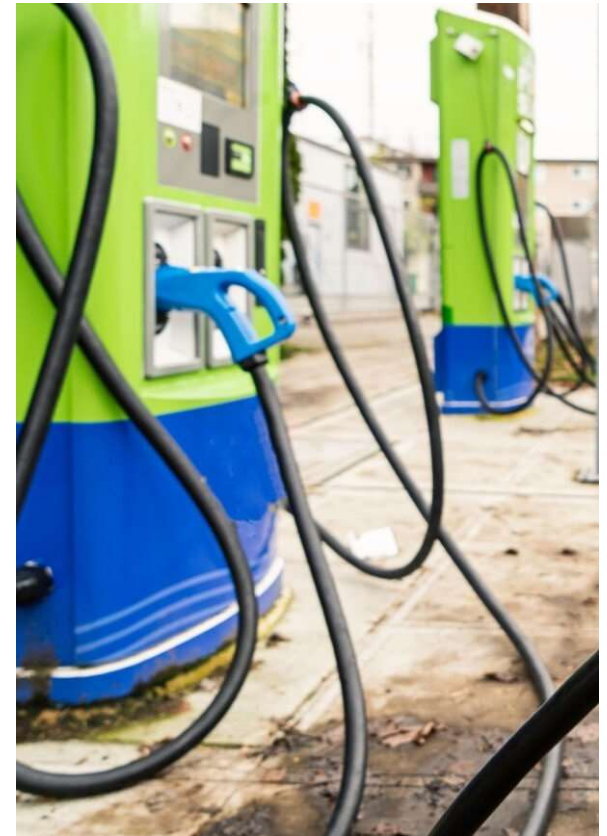
Demand Response (DR)

- Jobs Act standard on DR:
 - “Each electric utility shall promote the use of demand-response and demand flexibility practices . . . to reduce electricity consumption during periods of unusually high demand . . .” (16 USC § 2601(d)(20))
- City Light already complies with a comparable WA State DR standard:
 - City Light has assessed DR potential as required by WA State Dept of Commerce regulations (WAC § 194-40-200) and state integrated resource planning requirements (RCW § 19.280.30(1)(b))



Transportation Electrification (TE)

- Jobs Act standard on TE:
 - “Each State shall consider measures to promote greater electrification of the transportation sector. . . .” (16 USC § 2601(d)(21))
- City Light already complies with comparable WA State/city TE standards
 - City Light has adopted a four-year TE Strategic Investment Plan (Res. 31971) consistent with the state TE Act (RCW § 35.92.450)
 - City Light continues to advance numerous TE projects consistent with the Plan



Purpose of Council Resolution

- City Light must consider adopting Jobs Act/PURPA standards on DR and TE, unless we already adhere to comparable standards.
- City Light already adheres to comparable TE and DR standards via recent WA State/City Light policies.
- City Light precedent to document compliance via City Council resolution.
- The Resolution concludes City Light's compliance obligation with Jobs Act/PURPA requirements and reiterates the utility's decarbonization efforts.

THANK YOU

