

Renewable Plus Program Rate ORD

Sustainability, City Light, Arts & Culture Committee

March 21, 2025



Program Overview



Customer Problem

- Adopting aggressive climate goals
- Needing dedicated renewables with attributes

Utility Solution

- Contract for new, regional wind or solar
- Integrate and transmit to City Light territory
- Meet customer load with new resource
- Retire Renewable Energy Credits (RECs) on behalf of subscribers

SMC 21.49.089 (Sept 2021)

Establishes the Renewable Plus Program

- Authority to contract for up to 20 years with
 - Energy developers through Power Purchase Agreements (PPAs)
 - Subscribing customers through Participation Agreements (PAs)



Customer Focus

Initial Design

- Driven by needs from large customers

Today...

- Broader customer adoption of climate goals
- Companion programs driving customer need
 - International Living Future Institute (ILFI), Living Building Challenge
 - Seattle Department of Construction and Inspections (SDCI), Living Building Pilot Program



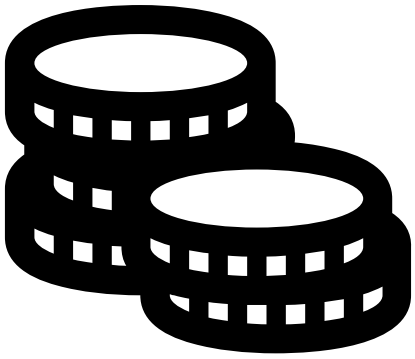
Renewable Energy Products

2 PPAs signed in April 2024

- 87 MW of new solar
- Located in central Oregon
- BPA Transmission to City Light
- Guaranteed output = 184,409 MWh
- Commercial operation in Q1 2026



Methodology to set Rate Premium



1.47cents/kWh

Design

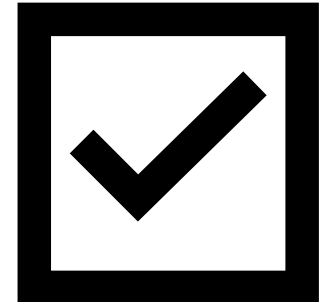
- Avoids cost-shifting to non-participants
- Charges are in addition to customer base rate
- Rate premium is fixed for initial 3-year term, refreshed thereafter with general rate update

Inputs

- Customer subscription and guaranteed generation
- Program design and administration costs
- Value of RECs

Program updates represented in Ordinance

- Removes minimum consumption threshold for participation
 - Allows program rules to be defined by utility
- Establish the program premium for 2026-2028
 - Premium is 1.47cents/kWh
- Updates language for clarity and flexibility



THANK YOU



Seattle City Light