Climate Commitment Act

(Washington's cap and invest program)

Adopting an adjusted supply and demand forecast for the Climate Commitment Act

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Why We're Here Today

- Today (action requested) – Request adoption of adjusted resource supply and demand forecast (2025-2026)
- Incorporates latest demand estimates and resource profile

Previous Board action

Original forecast adopted in September 2022

- Board approved adoption of renewable energy supply forecast of 80% to serve Chelan PUD's load and directed staff to use the adopted 80% renewable energy supply forecast related to the Climate Commitment Act
- The forecast below was approved by the Board and was submitted in 2022

Subset of CCA cost burden spreadsheet	***2023***	***2024***	***2025***	***2026***	***Notes***
Renewables and Non-Emitting Resources (MWh)	1,615,474	1,628,419	1,640,794	1,646,969	District retained hydro and wind generation supply forecast that reflects board approved forecast (equal to 80% of load forecast)
Energy to Serve Load (MWh)	2,018,093	2,034,149	2,049,492	2,056,836	Current load forecast, IRP

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No Cost Allowance Allocation

- Per CCA rules, utilities can adjust supply and demand forecasts each July for the remaining years in the compliance period
- Load and resource forecasts are used in the cost burden calculation to determine the number of no cost allowances allocated to utilities
- Chelan PUD's load and resource forecasts have changed, and staff intends to submit updated forecasts to the Department of Ecology subject to Board approval

Adjusted Resource Supply and Demand Forecast Recommendation

Subset of CCA cost burden spreadsheet	***2025***	***2026***	***Notes***
Renewables and Non-Emitting Resources (MWh)	2,003,010	2,084,782	See note 1 below
Energy to Serve Load (MWh)	2,503,762	2,605,977	See note 2 below

Notes:

1. The renewable and non-emitting resources forecast is equal to 80% of the Energy to Serve Load Forecast, consistent with the Board adopted target equal to 80% of retail load served using renewable resources
2. The energy to serve load forecast is based on the 2023 IRP progress report load forecast adjusted for the following:
    - Conservation (decrease)
    - Microsoft Campus retail load (increase - 2025 only)

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Proposed Motion

To adopt, for purposes of the Climate Commitment Act, a supply forecast for renewables and non-emitting resources of 2,003,010 megawatt-hours in 2025 and 2,084,782 megawatt-hours in 2026 and a demand forecast of 2,503,762 megawatt-hours in 2025 and 2,605,977 megawatt-hours in 2026

Next Steps

- Submit Board-adopted supply/demand forecast to the Department of Ecology by July 30, 2024

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