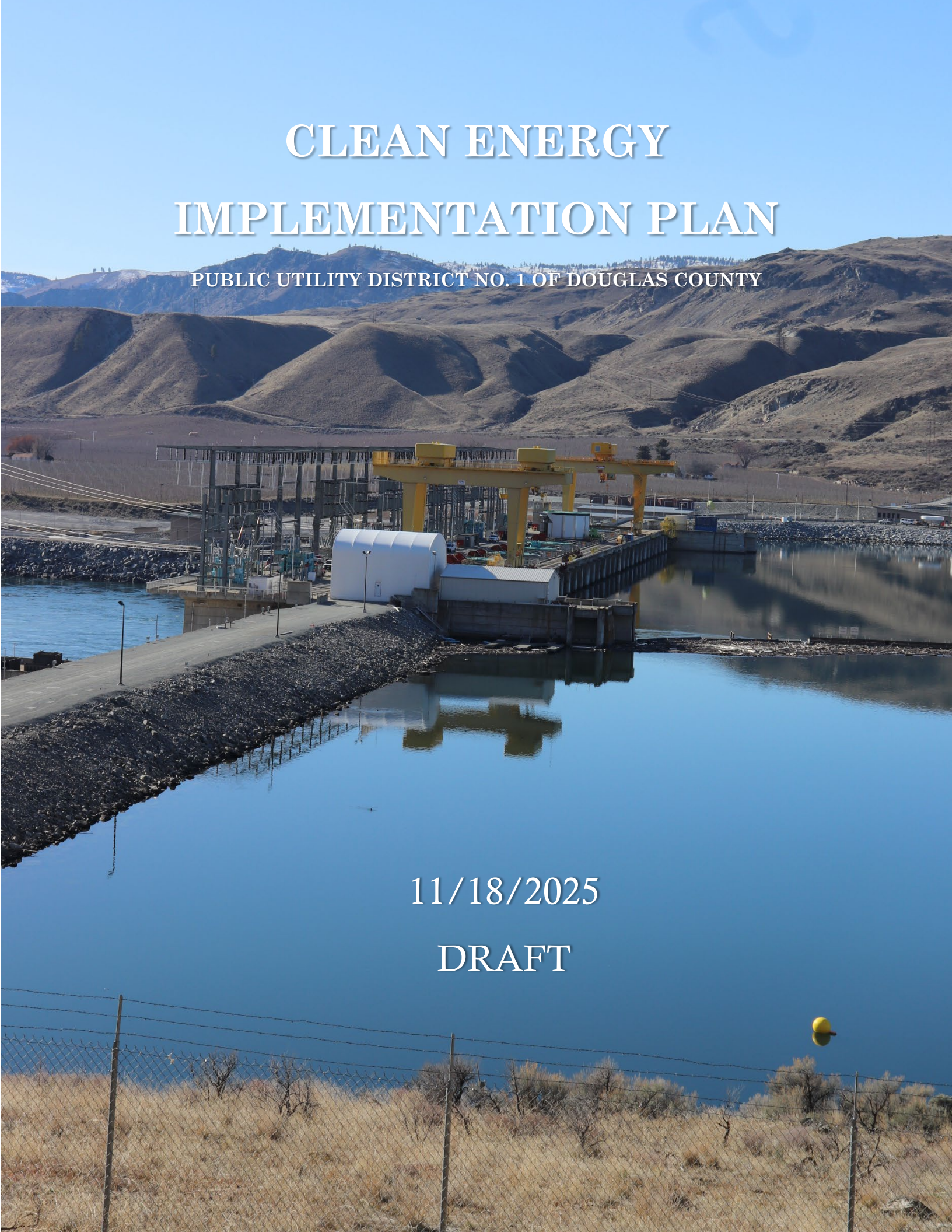

CLEAN ENERGY IMPLEMENTATION PLAN

PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY

11/18/2025

DRAFT

INTRODUCTION

This planning document presents the 2026-2029 Clean Energy Implementation Plan (CEIP) for Douglas County PUD (District) as required by the Washington Clean Energy Transformation Act (CETA). This report describes the development and results of the CEIP prepared for and with close collaboration from Douglas PUD by Lighthouse Energy Consulting and Nauvoo Solutions. CETA was signed into law in 2019 and mandates new clean energy and planning and reporting requirements on Washington electric utilities.

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RENEWABLES

CETA requires utilities to propose interim targets for meeting its standards for greenhouse gas neutral electricity in 2030 and clean energy in 2045.

The CEIP must establish an interim target for the percentage of retail load to be served using renewable and non-emitting resources during the period covered by the CEIP (2026-29). 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.

For small utilities, the Dept. of Commerce is allowing a single renewable target over the entire four-year compliance period.

RENEWABLE TARGETS

The 2026-29 renewable targets for Douglas PUD are driven primarily by the 2024 update to its Integrated Resource Plan.

Douglas PUD's share of the Wells Project, together with its portion of the output from the Rocky Reach Hydroelectric Project, has historically been sufficient to meet the needs of approximately 17,500 electric customers in Douglas County. The Wells Project has become a model for providing clean, efficient and reliable hydroelectric power.

Douglas PUD has access to 85% of the output of the Wells project, though the actual percentage is dictated by several contracts. The share of Okanogan PUD's interest in the project remains fairly consistent during the four-year compliance period with access at roughly 11% . The Colville Confederated Tribes have a perpetual 5.5% share. Other contractual obligations exist through 2030, providing output to Puget Sound Energy, Avista Corporation, Portland General Electric and Morgan Stanley Capital Group.

Douglas PUD proposes the following targets for its renewable energy resources over 2026-29:

For the four-year compliance period, it is estimated that Douglas PUD will meet 48% of its load (165 aMW) through renewable hydroelectric power, 1% through wind generation, and the balance largely from unspecified market sources. These targets have been reduced from the initial compliance period to reflect the forecasted resource mix based on contracts which had not been finalized when the first CEIP was implemented. While the District will not meet the 80% threshold during the four-year compliance period, it is positioned to meet or exceed this standard by 2030. Future plans for exchanges or wholesale purchases will be assessed in light of CETA's 2030 and 2045 targets, and contingent upon county growth.

ENERGY EFFICIENCY

Pursuant to WAC 194-40-330 (1)(ii):

Any utility that is not a qualifying utility under RCW 19.285 must establish the amount of energy efficiency and conservation that is available using either of the following methods:

(A) Use the conservation methodology established in RCW 19.285.040(1) and the rules implementing that subsection; or

(B) Establish the reasonable utility-level proportion of a conservation potential assessment prepared at a regional or multi-utility level using a methodology that:

> (I) Evaluates resource alternatives on a total resource cost basis, in which all costs and all benefits of conservation measures are included regardless of who pays the costs or receives the benefits; and
>
> (II) Includes the social cost of greenhouse gas emissions as specified in WAC 194-40-110.

Methodology*:* For the purposes of this plan, Douglas PUD used a modified version of the Bonneville Power Administration's Utility Potential Calculator (UPC), updated with local service area data to ensure accuracy and relevance. The UPC was built to allow regional utilities to calculate their conservation potential by estimating their proportion of the 2021 Power Plan.

Several key updates to the UPC were included in the evaluation:

- Recent equipment saturations from the Northwest Energy Efficiency Alliance's 2022 Residential Building Stock Assessment
- Recent agricultural data for Douglas PUD based on the 2022 US Department of Agricultura's 2022 census
- Updated building and customer counts for Douglas PUD's service territory
- Adjusted adoption rates calibrated to Douglas PUD's historical program performance, resulting in a slower near-term.

Douglas PUD's extremely low rates (approximately $0.038/kWh) serve as a customer disincentive to participation in energy efficiency programs, as most energy efficiency measures will not be cost-effective from the customer perspective.

Perhaps more importantly, a significant portion of the District's commercial load is comprised of traditional data and crypto-currency loads, for which little to no conservation can be achieved.

ENERGY EFFICIENCY TARGETS

Table 1. Cost-Effective Energy Savings by Sector (MWh)

Sector	2-Year	4-Year	10-Year	20-Year
Residential	168	455	2,898	9,557
Commercial	1,476	3,652	19,707	49,537
Industrial	694	1,392	5,037	20,402
Agricultural	12	34	241	969
Utility System Efficiency	23	92	947	2,321
Total	**2,373**	**5,625**	**28,830**	**82,785**

The analysis identified 5,625 MWh of cost-effective energy efficiency potential or 0.64 aMW over the four-year compliance period of 2026-2029. Douglas is currently working to develop conservation for our customers and has limited program history.

Because Douglas PUD does not have an extensive history of energy efficiency implementation, an adjustment to the adoption trajectory within the UPC was made to account for the time needed to establish and build program infrastructure. This approach ensures that near-term targets are achievable while allowing sufficient time for program development and marketing.

The largest amount of potential was identified within the commercial sector. The top energy measures in the commercial sector over the four-year compliance period include lighting, commercial server and power supply equipment, block heaters and exterior building lighting measures.

DEMAND RESPONSE

Pursuant to WAC 194-40-330 (2):

(a) Each utility must assess the amount of demand response resource that is cost-effective, reliable, and feasible.

(b) The demand response target for any compliance period must be sufficient to meet the utility's obligation under RCW 19.405.040(6) and must be consistent with the utility's resource plans and any distributed energy resource plan adopted under RCW 19.280.100.

DEMAND RESPONSE TARGETS

The following table discusses some of the potential demand response measures , along with their applicability for Douglas PUD.

Douglas PUD will continue to evaluate potential demand response opportunities during this compliance period. Since we cannot isolate specific cost-effective, reliable and feasible demand response targets at this time, no target will be established during this compliance period.

Demand Response Type	**Applicability to Douglas PUD**
Direct Load Control	Douglas PUD is currently working to develop customer energy efficiency programs.. Dedicated demand response programs would be cost-prohibitive.
Demand Curtailment for Large Commercial and Industrial customers	The vast majority of Douglas PUD's large commercial or industrial load is concentrated in data centers and block-chain and low tier data facilities. The feasibility and cost-effectiveness of this option is unknown. Douglas PUD is close to commissioning the first renewable hydrogen production facility owned and operated by a public utility. The facility will provide flexibility to Douglas PUD's operations at the Wells Project and is expected to be treated as a curtailable load for demand response purposes.
Time-of-use rates / Critical Peak Pricing	Douglas PUD has no advanced metering infrastructure that would enable price-based demand response. However, the District will be exploring AMI solutions for county-wide installation during the 2026-2029 compliance period. There is insufficient data showing its effectiveness in peak shaving.

VULNERABLE AND HIGHLY IMPACTED COMMUNITIES

Pursuant to WAC 194-40-200 (4), the CEIP should:

(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 non-energy 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, non-energy 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);

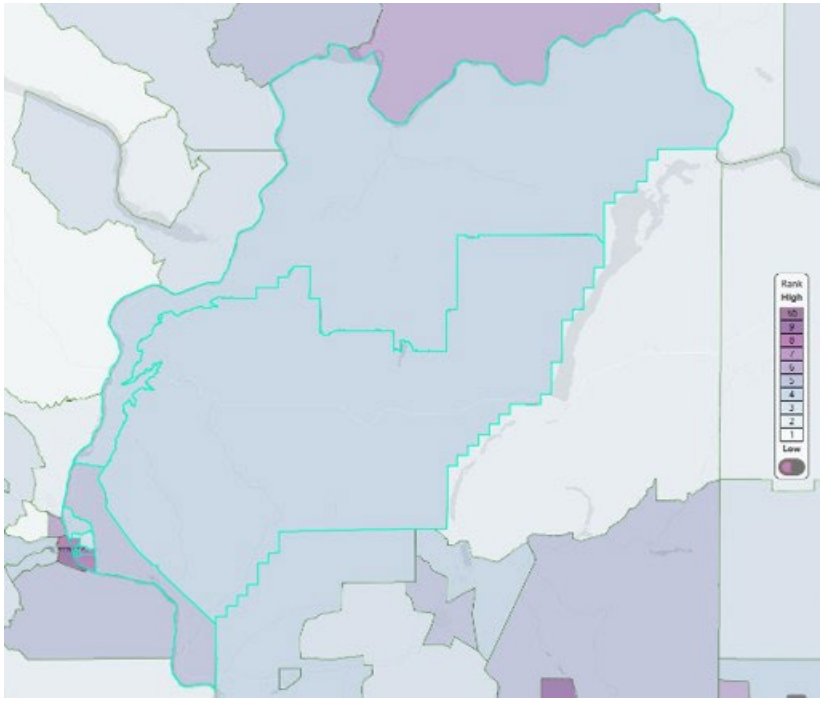
(ii) Identify the expected effect of specific actions on highly impacted communities and vulnerable populations and the general location, if applicable, timing, and estimated cost of each specific action. If applicable, identify whether any resource will be located in highly impacted communities or will 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.

HIGHLY IMPACTED COMMUNITIES

According to the Department of Health's Environmental Health Disparities map, the environmental health disparities score does not exceed 8 in any part of Douglas county. There is one census tract that is designated as a highly impacted community in Douglas PUD's service territory because of the presence of tribal members. However, we are not aware of any tribal presence in that area. The Colville reservation borders that census tract, but they are separated by the Columbia river. We will investigate with the Dept. of Commerce to determine whether this is a data anomaly.



PUBLIC INPUT

A public hearing to identify vulnerable populations in accordance to the Clean Energy Implementation Plan was held November 04, 2025 during the PUD Commission Meeting. No public comment was received at the hearing.

VULNERABLE COMMUNITIES

Based on RCW 19.405.020 (40) definition and through public input, vulnerable populations identified are:

- Senior citizens on a fixed income
- Those considered low income

This is a slight change from the last CEIP which identified vulnerable populations as

- High energy burden customers (Due to Douglas PUD's low rates, it is extremely hard to qualify as high energy burden)
- Senior citizens who are potentially on a fixed income (included again)
- Customers with limited English language skills (not identified as vulnerable during this process, but we will continue to translate materials)

CUSTOMER BENEFIT INDICATORS

The main customer benefit indicator is the reduction of energy burden – this will be captured by quantifying the impact of Douglas PUD's programs on customer energy bills.

Since Douglas PUD should aim to target new programs to seniors on a fixed income and low income customers, the benefits of the residential energy efficiency programs should flow to vulnerable and highly impacted communities.

RISK REDUCTION

Through the development of this CEIP, Douglas PUD has identified that increasing utility bills are the main risk to vulnerable communities associated with the clean energy transition.

Douglas PUD will mitigate this risk using the following strategies:

- Continue its historical tradition of maintaining low rates and continue to assess the rate impacts of clean energy actions.
- Implement energy efficiency and energy assistance programs that make sense for Douglas County residents and are targeted towards customers who need it the most.