

Climate Change Principles

These Board of Commissioner adopted Principles provide a foundation for general, overarching discussions about climate change. The intent is to create a framework under which District strategy and operational standards (policies) are coordinated with the commitment to addressing climate change.

Climate Change

The PUD is committed to delivering essential utility services to our communities in an environmentally responsible and sustainable way while providing exceptional value, financial stability and operational safety and security for our customers.

Climate change is a serious and accelerating global problem driven primarily by fossil fuel burning. Disruptions to natural processes by human activities also contribute to climate change.

The PUD, our employees, customers, and communities value the natural resource environment and recognize that we have a part in addressing climate change through our chosen priorities and actions. The regional shift towards clean energy and accelerating climate change creates new operational complexities.

The challenge of addressing climate change while also ensuring that clean energy and water are available to serve our growing communities and their increasing reliance on electricity and changing usage patterns is one of the greatest of our time. But we are steadfast in our commitment.

The following principles will guide the PUD in delivering essential utility services to our communities in an environmentally responsible and sustainable way.

- 1. Reduce our impacts on the environment while protecting energy and water resources for current and future generations.
- 2. Make climate-friendly investments in carbon-free generation, energy efficiency, demand response, and water conservation.
- 3. Build a portfolio of electric and water resources that is resilient and reliable in the face of climate change.
- 4. Meet state clean energy standards for power supply.
- 5. Meet load growth through conservation and a diverse mix of clean energy technologies.
- 6. Continue our commitment to restore and enhance the wildlife habitat we may affect.

About

The Public Utility District No. 1 of Snohomish County (the PUD) was created on November 3, 1936, by a majority vote of the people, for the purpose of providing publicly owned electric and water utility service to the people of Snohomish County and Camano Island. The PUD is the 12th largest public utility in the U.S. and the second largest in Washington state serving more than 361,000 electric customers and approximately 20,000 water customers.



The PUD is governed by a three-member Board of Commissioners. They represent separate commissioner districts and are elected at-large for staggered six-year terms. The legal responsibilities and powers of the PUD, including the establishment of rates and charges for services rendered, reside with the Board of Commissioners. The PUD is a not-for-profit utility and takes great pride in serving our customers in our community.



Community Engagement Principles

These Board of Commissioner adopted Principles provide a foundation for general, overarching discussions about community engagement. The intent is to create a framework under which District strategy and standards (policies) are consistent with the commitment to engage with the communities we serve.

Community Engagement

"Energizing Life in Our Communities" isn't just a statement on our mission to deliver vital services to the communities we serve. The PUD is governed by elected community members and many of its employees live in the service territory and are life-long residents. The PUD delivers services that customers rely on for their quality of life – whether it's safe water to drink, heat and light to keep them warm and safe, or energy to power businesses fueling our local economy.

The PUD, and the communities it serves, have changed significantly since formation in 1936. Our infrastructure is growing, and technology is interwoven throughout our lives. We are all vital to maintaining the PUD's connection with community. To that end, the following principles will be considered by the PUD in addressing how we engage.

- 1. Invest in extensive planning to ensure that the governing processes serve the purpose of the utility and the needs of the customers.
- 2. Support for equitable and fair participation from all employees, customers, elected officials, local governments, and communities as we work together to advance the common good.
- 3. Commit to clear and open communication about all public processes to demonstrate transparency and instill trust in the outcomes.
- 4. Promote a culture of participation with programs, events, and partners that support high-quality community engagement.
- 5. Prioritize listening, exploring new ideas, applying information in a manner that generates new ways of serving communities, and evaluating community engagement activities for the highest potential to make a difference.

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Resource Adequacy Principles

These Board of Commissioner adopted Principles provide a foundation for general, overarching discussions about regional reliability. The intent is to create a framework under which District strategy and operational standards (policies) are consistent with the commitment to keeping the lights on for our customers.

Resource Adequacy

The electric industry is changing. Currently, more than 70% of the installed electric generating resources in the northwest are carbon-free. That share is expected to grow as northwest utilities continue to make significant investments in carbon-free generation. The trend to reduce emissions is accelerating as thermal baseload and peaking resources are retired and replaced with lower and zero-emitting intermittent resources.

The growth in intermittent wind and solar resources, and upcoming capacity requirements, is impacting the Region's ability to reliably meet peak demand. While improved technology, innovation, markets, as well as continued investments in energy efficiency and demand-side management programs, will be part of the PUD's future, additional solutions are needed to address resource adequacy.

The Region is implementing a new resource adequacy program that is expected to enhance regional reliability in the Western United States, but which will also introduce new standards for portfolio adequacy. With coordination and visibility across participants, a regional resource adequacy program will provide more accurate visibility into resource and supply needs.

The PUD is committed to ensuring reliable electric service to its customers. To that end, the PUD will continue to explore appropriate baseload resource technologies as part of its Integrated Resource Planning process and advocate for the development of a regional resource adequacy program that meets the following principles.

- 1. Focuses on common planning criteria for the assessment of adequacy to ensure reliability across multiple balancing authorities.
- 2. Agnostic to resource solutions, supports economic stability for ratepayers, and ensures equitable outcomes.
- 3. Respect for local decision making and inclusion of a structure for monitoring performance and ensuring accountability.
- 4. Addresses transmission constraints and effective solutions to connect loads to power supply.
- 5. Solves for west-wide resource and fuel diversity to efficiently integrate variable resources and maximize customer value.
- 6. Considers the impacts of organized market coordination.



7. Compatible with the PUD's own resource adequacy metrics for long-term planning within the scope of its Integrated Resource Planning process.

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