November 19, 2025

The Honorable Bob Ferguson
Governor of Washington
Office of the Governor
PO Box 40913
Olympia WA 98504-0913

The Honorable Sarah Bannister
Secretary of the Senate
312 Legislative Building
PO Box 40482
Olympia WA 98504-0482

The Honorable Bernard Dean
Chief Clerk of the House of Representatives
338 Legislative Building
PO Box 40482
Olympia WA 98504-0482

Re: Summary of the 2025 Long-term Resource Adequacy Meeting

Dear Governor Ferguson, Secretary Bannister, and Chief Clerk Dean,

We submit this attached summary of the 2025 long-term resource adequacy meeting held Sept. 22, 2025, as required by statute. This year, in response to public feedback to expand our schedule under RCW 19.280.065, we hosted three meetings: one each for summer readiness, long-term resource adequacy, and winter preparedness. The meeting agendas, recordings of each meeting, and presentation materials are available on the Department of Commerce webpage and the Utilities and Transportation Commission webpage.

Reliability assessments presented at the September 22 meeting indicated that the Northwest's electric grid meets national resource adequacy criteria over the near and medium terms under a broad range of operating conditions. As a region assessed as "normal risk," the Northwest has a low likelihood of electricity supply shortfall.

However, "normal risk" is not the same as "no risk." Although areas categorized as normal risk are expected to have sufficient resources for plausible extreme conditions, they are not immune to the effects of high-impact, low frequency weather events that affect demand and generation simultaneously. Presentations also indicated that normal conditions are shifting with the impacts of climate change, large new electricity uses like data centers and building and vehicle electrification. If significant new electricity usage materializes and more extreme weather continues, the grid could face reliability challenges. Presentations emphasized that no electric system is 100% resource adequate, and there is no resource that provides perfect capacity. We also underscore that it is important to incorporate risks associated with fossil generating resources, including fuel supply risk and weather-driven forced outages.

With this uncertainty, it is clear that utilities and policy makers must increase efforts to make customer energy demand more flexible, reduce delays in siting and interconnecting new clean energy projects, expand regional transmission capacity, and improve transparency and accuracy of load forecasts and planned resource additions. There is also a need to consider potential changes to the mix of generating resources with greater focus on the capacity and fuel requirements of the power system during critical periods, such as days of extreme cold combined with low hydroelectric and wind generation.

Lack of Clarity Surrounding New Load Growth
There is limited visibility into whether large customer (including data center) interconnection requests are duplicative or speculative, and utility-submitted data on planned resource additions are less predictable than in recent history.

Discussions at the meeting underscored that, under some forecasts presented, if the region did not add new generation capacity by 2030, it would have a resource gap equivalent to the current electricity requirements of the State of Oregon, approximately 9 gigawatts. Existing utility integrated resource plans (IRPs) show this gap closing. In addition, collaborative utility efforts, such as the Northwest Energy Efficiency Association's End-Use Load Flexibility project,[1] show progress on reducing peak electricity demand through grid-connected consumer products and dynamic services.

New Resource Challenges
We should be cautious of the assumptions behind the finding of adequacy. Bringing new resources online continues to be difficult due to:

- Changes in federal policy and corresponding increased costs,
- Lack of in-state and regional transmission capacity, and
- Permitting and interconnection challenges.

Voluntary Resource Adequacy Program Struggles
Shortly after our meeting, six utilities announced they would not join the Western Resource Adequacy Program (WRAP). This is an industry-led, voluntary regional resource adequacy program to help utilities share resources during scarcity. PacifiCorp, which serves approximately 141,000 customers in Washington, opted out of the program, while Avista and Puget Sound

[1] End-Use Load Flexibility - Northwest Energy Efficiency Alliance (NEEA).

Energy remain in. Reduced WRAP participation means that there will be fewer resources to share, and therefore the benefits of the program potentially diminish for Washington utilities and customers. Some utilities that have opted out of WRAP are now in talks to potentially create their own regional program. We continue to monitor this dynamic and encourage continued development and participation in regional resource adequacy initiatives.

Meanwhile, climate change is making extreme weather more frequent, posing the gravest threat to grid reliability. The experts who gathered at this meeting continue to stress that the increased severity and frequency of extreme weather events from climate change pose the greatest threat to resource adequacy.

We look forward to continuing to partner with you on this work.

Sincerely,

Brian J. Rybarik	Jennifer Grove
Chair	Assistant Director, Energy Division
WA Utilities and Transportation Commission	Washington Department of Commerce

Enclosure (1)
cc:

2025 Long-Term Resource Adequacy Meeting Summary

Introduction

On September 22, 2025, the Washington Utilities and Transportation Commission (UTC) and the Washington Department of Commerce (Commerce) convened a public meeting to review the adequacy of energy resources to serve the state's electricity needs and receive an update from regional experts and Washington utilities on the long-term resource adequacy of the electric grid. We convened this meeting and submit this summary in response to public feedback to expand our annual resource adequacy meeting under RCW 19.280.065 to three meetings: one meeting in the spring focused on summer readiness, one meeting in late summer to discuss long-term resource adequacy, and another in late fall to focus on winter preparedness.
RCW 19.280.065(1) says:

> At least once every twelve months, the department and the commission shall jointly convene a meeting of representatives of the investor-owned utilities and consumer-owned utilities, regional planning organizations, transmission operators, and other stakeholders to discuss the current, short-term, and long-term adequacy of energy resources to serve the state's electric needs, and address specific steps the utilities can take to coordinate planning in light of the significant changes to the Northwest's power system including, but not limited to, technological developments, retirements of legacy baseload power generation resources, and changes in laws and regulations affecting power supply options. The department and commission shall provide a summary of these meetings, including any specific action items, to the governor and legislature within sixty days of the meeting.

Maintaining an adequate supply of electricity is a core obligation of the utilities that provide electric service to Washington residents and businesses. State policy reinforces this obligation as Washington transforms its electric power system and economy, reducing and eventually eliminating emissions from fossil fuel combustion for electricity generation.[2]

The state's 100% clean electricity law, the Clean Energy Transformation Act,[3] includes requirements for utilities to establish specific standards for resource adequacy and incorporate those standards into their planning and compliance.[4] As utilities reduce reliance on fossil fuels and add renewable resources such as wind and solar, new approaches and resources will be required to maintain resource adequacy.

While resource adequacy is an obligation of each electric utility serving end-use customers in the state, it also is a shared responsibility of the overall electric power system and the entities that operate, plan, regulate, design, and fund that system.

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[2] Washington 2021 State Energy Strategy, page 119-120. https://commerce.wa.gov/energystrategy

[3] Chapter 19.405 RCW.

[4] RCW 19.280.030. This resource planning statute was amended by the CETA legislation to add explicit resource adequacy provisions.

The following summarizes the presentations and discussion at the September 2025 meeting.

Resource Adequacy 101—Energy Systems Integration Group
Energy Systems Integration Group (ESIG) is a non-profit organization and a leading source of expertise for energy systems around the world. ESIG described resource adequacy as "the ability of the electric system to supply firm demand at all times (up to some criteria)." This definition highlights two important aspects of resource adequacy.

- Resource adequacy refers to the ability to generate and move power over transmission lines to where it is needed; it does not include local distribution line disruptions.
- It is measured against criteria, such as a One-day-in-ten-years loss-of-load event, which determines an acceptable amount of risk of resource shortfall.

In other words, resource adequacy is the likelihood we will have enough power and transmission to meet electricity demand based on defined criteria. Changes in resource adequacy criteria may impact whether an electric system is deemed adequate. The industry is increasingly moving to multi-metric criteria to examine the adequacy of the electric system and the capacity contributions of individual resources to account for shifting resource adequacy risks, such as potential weather-related and fuel supply outages.

Key takeaways from the presentation were that no electric system is 100% resource adequate, and there is no resource that provides perfect capacity. Meeting resource adequacy will require utilities to develop diverse resource portfolios and secure transmission capacity necessary to meet multi-metric criteria. Utilities should continue to evaluate the adequacy of their resource portfolios as the region adds new loads. ESIG observed a system that was 100% adequate would be cost prohibitive.

ESIG offered a number of ways to improve resource adequacy while lowering system costs, including energy efficiency and demand response, expansion of regional transmission and energy markets, and adoption of a binding regional resource adequacy program, such as the WRAP, that would allow utilities to coordinate their diverse resources to avoid shortfalls.

Reliability Assessments — North American Electric Reliability Corporation and Western Electric Coordinating Council
The North American Electric Reliability Corporation (NERC) is the Electric Reliability Organization for North America. Its mission is to assure the effective reduction of risks to the reliability and security of the grid. It is subject to oversight by the Federal Energy Regulatory Commission (FERC) and governmental authorities in Canada. The Western Electricity Coordinating Council (WECC) is one of six regional entities under NERC that has authority delegated under the Federal Power Act to ensure a reliable and secure bulk power system throughout the Western Interconnection. WECC has the responsibility to create, monitor, and enforce reliability standards and promote activities, such as regional resource adequacy assessments, of the bulk power system in the Western Interconnection.

NERC presented its 2024 Long-Term Reliability Assessment (LTRA), as its 2025 LTRA was not yet complete at the time of the meeting. The LTRA found that unlike some parts of the United

States, which have an elevated risk of resource inadequacy, the Western Interconnection has a normal level of risk as of the 2024 assessment.

Study results show WECC is in the top one-third of all assessment areas for demand growth. Demand growth is being driven primarily by data centers, but also industrial onshoring and electrification of transportation and buildings. Meanwhile, resource projections reflect slower rates of additional resources being interconnected to the grid due to project delays and cancellations.

Data presented by WECC shows the Northwest adding 14 GW in new generation between 2026 and 2035. Nearly all these resource additions are intermittent power sources, and almost half of the generation comes from wind. Meanwhile, nearly 345 MW of generation over the same time period is planned to be retired, roughly 85% of which are clean resources. In the Northwest subregion, annual demand is expected to grow 24% between 2026 and 2035 with peak demand expected to increase by 20.6%.

The information that goes into the LTRA is aggregated from data provided by balancing authorities that collect and aggregate resource plans of utilities (not all utilities are balancing authorities). WECC explained they have been working more closely with balancing authorities and utilities to standardize and ensure the integrity of reporting to WECC.

Northwest Utilities Resource Adequacy Study — Energy and Environmental Economics, Inc.

Energy and Environmental Economics, Inc. (E3) is a nationally recognized consultant specializing in decarbonization and the clean energy transition, including climate policy analysis, integrated system planning, and asset valuation and strategy. E3 was retained by Pacific Northwest utilities and generation owners to evaluate resource adequacy in the Pacific Northwest today and in the future. The industry hired E3 to do a similar study prior to adoption of Washington's 100% clean electricity law, the Clean Energy Transformation Act (CETA), in 2019. The findings are similar.

The preliminary results of the 2025 study suggest the planned resource additions in utility IRPs are likely sufficient to meet the region's resource adequacy needs, but that meeting the pace of growth anticipated in utility IRPs will require annual resource additions equal to four to five times historic levels. The study finds the region experiencing significant headwinds due to permitting and interconnection delays, changes in federal policy, and higher costs. Without any new resource additions, the region would have a gap in resources beginning in 2026 and growing to 9 gigawatts by 2030, which is approximately the load of the state of Oregon. Data centers and the electrification of buildings and transportation are the principal contributors to load growth.

The study finds the most constraining reliability conditions are extended cold weather events in the winter during very low water years. The preliminary results suggest utilities will need to deploy some natural gas resources under the 2030 carbon neutral standard of CETA to meet demand during these extreme and infrequent conditions. The second phase of the study, expected by the end of this year, will evaluate resource options for meeting near-term and long-term resource adequacy and clean energy needs.

Update on Data Center Working Group under Governor's EO 25-05 — UTC and Commerce

UTC and Commerce provided an update on the Data Center Workgroup convened by the Department of Revenue and Governor's Office, in response to the Governor's Executive Order 25-05. Representatives from the UTC and Commerce provided a summary of each agency's priorities, which include:

- **Accurate load forecasting:** Speculation and duplicative load forecasts make it hard to forecast regional resource needs.
- **Conformance with state energy and climate laws:** Data center loads should comply with state clean energy and climate laws.
- **Load flexibility:** Data centers should exercise available load flexibility to help the electric grid during peak periods.
- **Leveraging tech investments in transmission and generation:** The state should work with hyperscalers who have immense experience deploying transmission and clean energy technologies and the funding needed to deploy them to the benefit of data centers and the overall electric grid.
- **Adequate resources to maintain reliability:** Utilities should not feel obligated to serve large loads if serving these loads threatens the resource adequacy and reliability of the electric grid.
- **Impacts on hydropower resources and fish populations:** Data center operations should not affect the operation of the hydropower system or fish populations.
- **Rate impacts:** Existing ratepayers should be insulated and protected against potential rate impacts of adding data centers to the electric grid.
- **Clean energy for economic development:** The development of data centers should support the growth of clean energy jobs.

Demand-side Resource Opportunities — Northwest Energy Efficiency Alliance and Tacoma Power

Northwest Energy Efficiency Alliance (NEEA) is an alliance of utilities and partners that pools resources and shares risks to transform the market for energy efficiency to the benefit of all consumers in the Northwest.

Recently NEEA announced that 10 regional utilities are funding an End-Use Load Flexibility initiative, exploring ways that grid-connected consumer products and dynamic services can fill regional winter-time power constraints within the next five years.

NEEA forecasts the project will deliver a 1-to-3-gigawatt resource to the region within the next four years, reducing the region's peak load by 10%. NEEA is developing its strategic and business plans for the 2026-2029 period, which include testing and refining projects and scaling and adapting utility load-flex programs by codifying best practices and providing tools to support market awareness.

Tacoma Power shared the potential for demand flexibility in its service territory and the technical and economic challenges of being an early adopter of demand response. The utility shared that industrial partners were often eager to participate in demand response programs. Residential customers have varied responses and often require intentional outreach before participating.