

# Summary of 2021 Washington State Energy Strategy (First Draft)

---

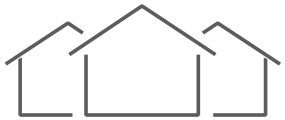
NOVEMBER 6, 2020



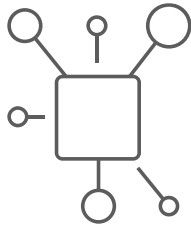
Washington State  
Department of  
**Commerce**

# We strengthen communities

---



**HOUSING  
HOMELESSNESS**



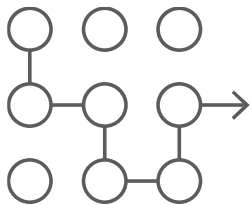
**INFRASTRUCTURE**



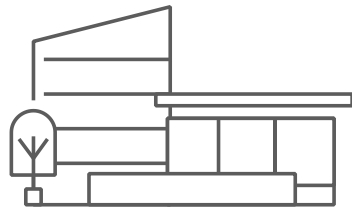
**BUSINESS  
ASSISTANCE**



**ENERGY**



**PLANNING**



**COMMUNITY FACILITIES**



**CRIME VICTIMS &  
PUBLIC SAFETY**



**COMMUNITY  
SERVICES**

# Legislative Direction – WA Strategy

---

- **RCW 43.21F.010**
  - Goals and structure
- **RCW 43.21F.088**
  - Principles
- **RCW 43.21F.090 (2019)**
  - 8-year cycle
  - Advisory committee



# Cross-Sector Considerations

---

- Maintaining reasonable and fair **prices** and sufficient **supply** of energy
- Promoting a competitive clean energy **economy** and **workforce** development
- Understanding and addressing the needs of **low-income and vulnerable populations**
- Reaching and responding to both **urban and rural communities**



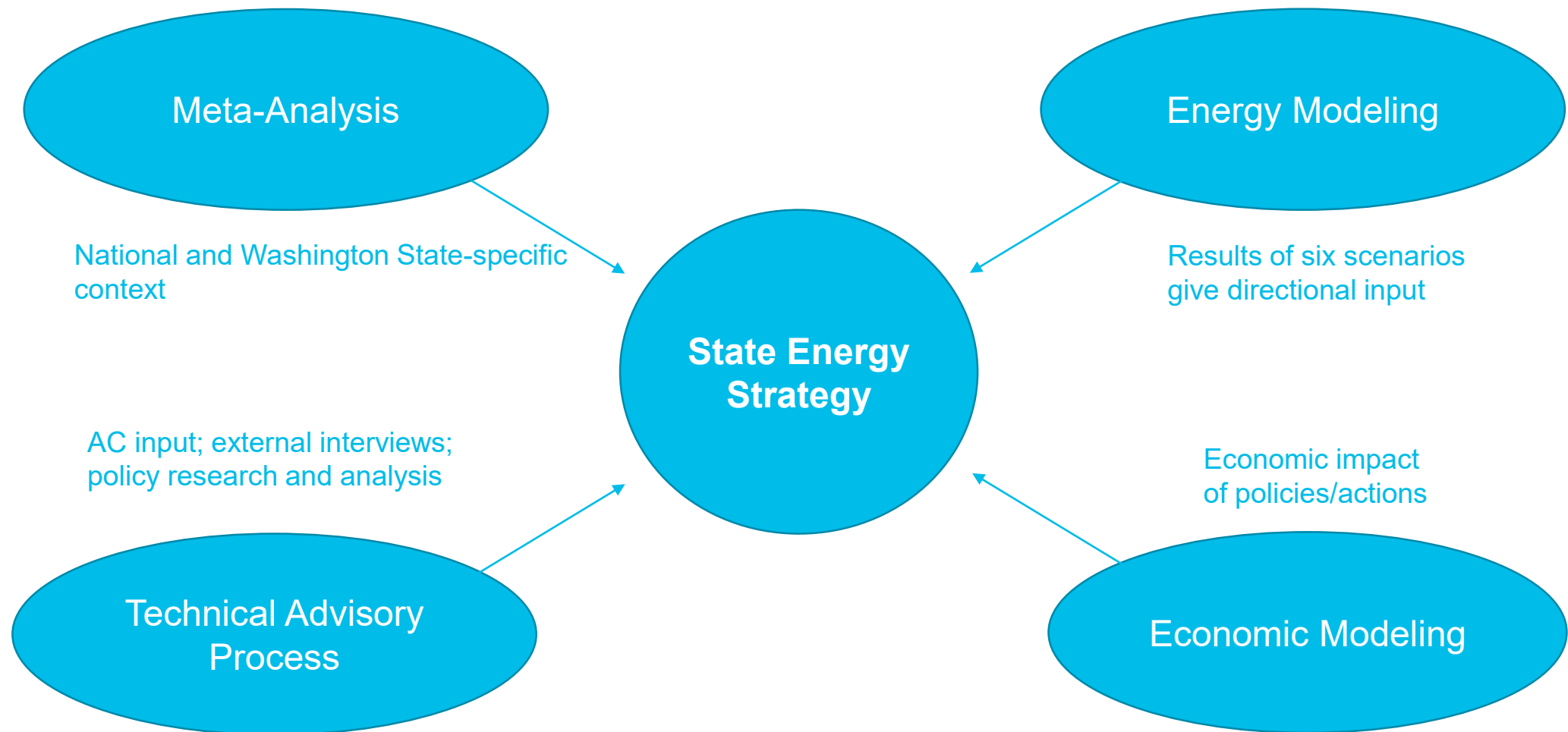
# Energy Strategy Advisory Committee

---

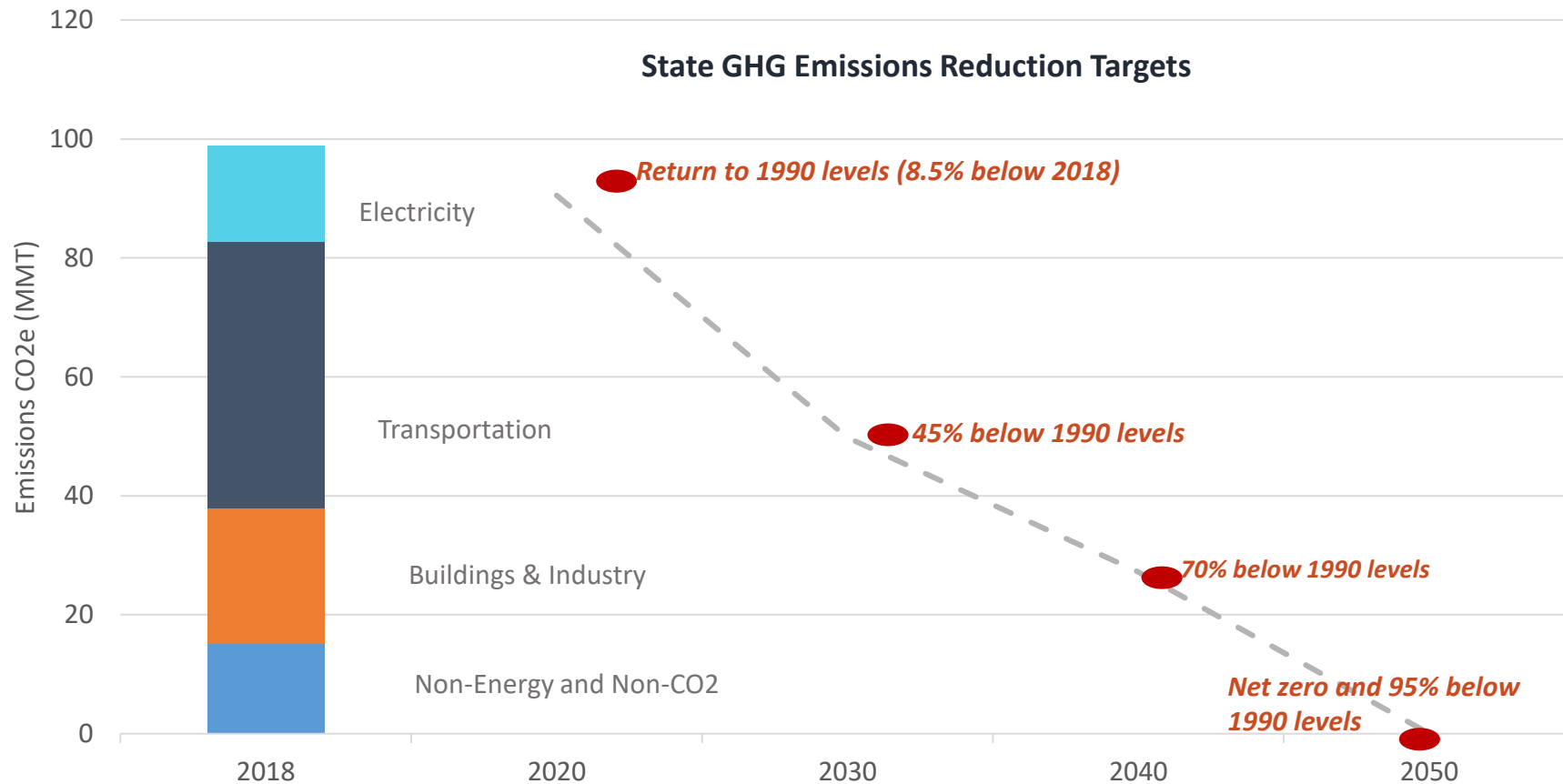
- 27-members made up of legislators, representatives from government (UTC, EFSEC, counties, cities) and energy and utility companies and associations, and members recommended by labor unions, tribal governments, and civic and environmental organizations.
- Multiple meetings over 2020, weighing in on emerging analysis, findings and potential policies.
- Commerce is the author of the Strategy.

# State Energy Strategy Development

---



# The Challenge: Meeting State Emissions Reduction Targets



# DDP Results: Final Energy Demand

Electrification and efficiency drive lower total energy demand

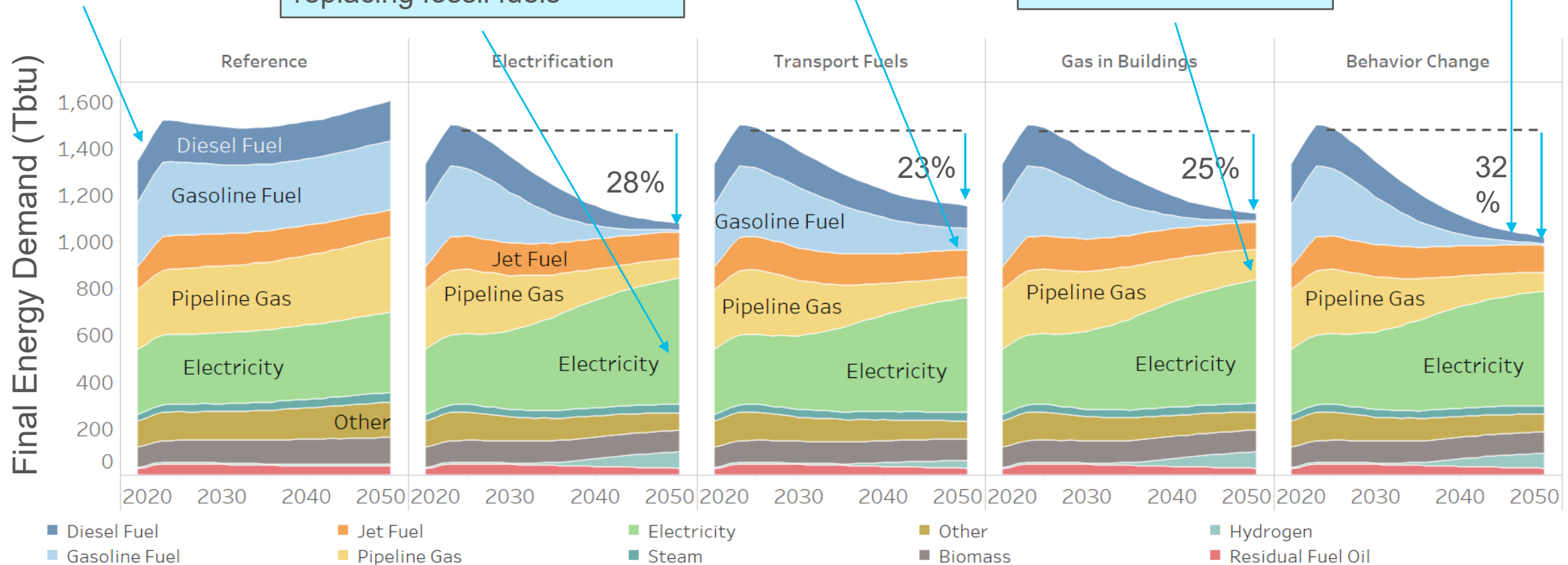
COVID: 10% drop in demand in 2020

Electrification: 90% growth in electricity sector, replacing fossil fuels

Transport Fuels: Demand for fuels remains in 2050

Buildings: Higher demand for gas due to less electrification

Behavior: Fewer energy services drive demand lower





A close-up photograph of a worker in a blue jacket and orange beanie, wearing grey gloves, using a screwdriver to install or maintain solar panels. Another person's arm in a purple jacket and green gloves is visible on the left, also working on the panels. The background shows a grid of solar panels under a bright, warm light.

# Draft Sectoral Strategies

# Ensuring equitable transition for Communities

---

Frontline communities are most vulnerable to climate impacts



Universal broadband access

Use explicit equity principles

Fund investment for transformation

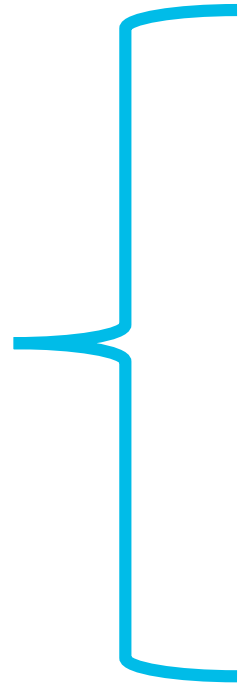
Support workers in transition

# Transitioning the Transportation Sector

---

Move people and goods more efficiently and equitably

Establish specific targets and accountability



Reduce the need for travel

Shift to cleaner modes and fuels

Improve fuel economy

Enact low carbon fuel standard

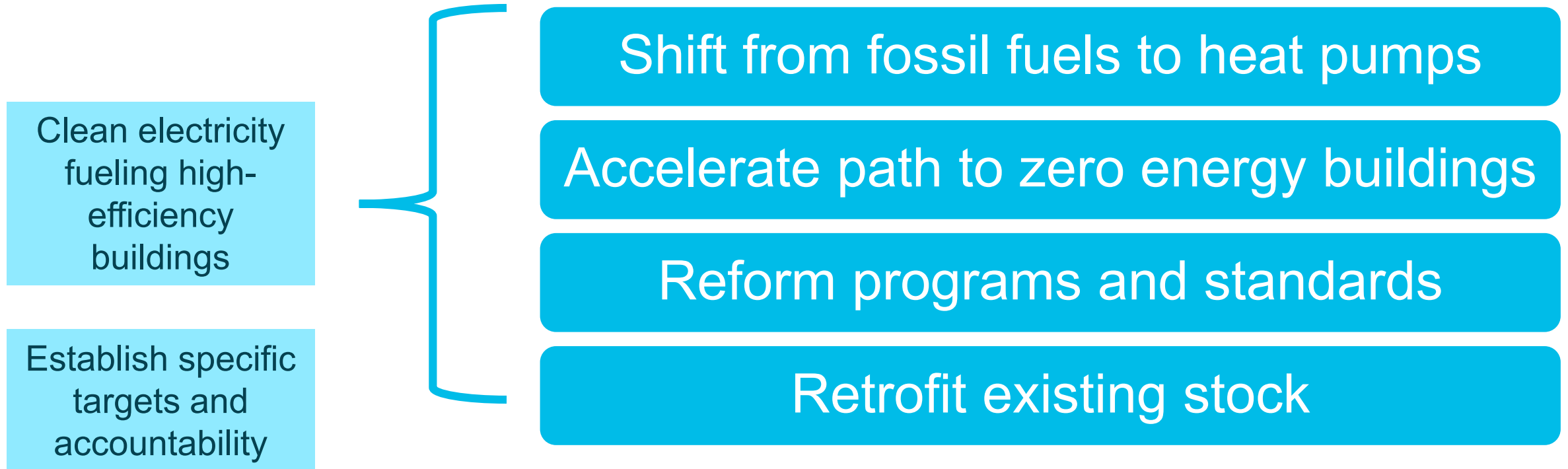
# Transportation actions

---

- **Moving people and goods more efficiently and equitably**
  - Set clear and ambitious targets
  - Improve planning and coordination
  - Expand funding, align with equity and emissions goals
  - Remove barriers to transit, walking, cycling
  - Ensure universal broadband access
  - Reduce freight miles traveled
  - Improve vehicle fuel economy
- **Electrifying vehicles and switching to low-carbon fuels**
  - Set clear and ambitious targets
  - Ensure rapid development of charging and fueling infrastructure
  - Accelerate market for electric and fuel cell vehicles
- **Ensuring an equitable transition for the transportation system**

# Transitioning the Buildings Sector

---





# Buildings sector actions

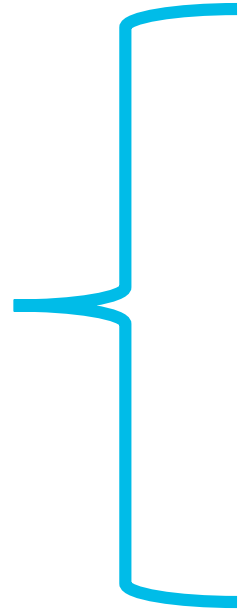
---

- **Establish a framework for building decarbonization**
  - Leadership capacity
  - Clear targets
  - Detailed planning
  - Outcome-oriented mandates and programs
  - Equity-centered policies
  - Consistent data and analytical methods
- **Maximize energy efficiency and electrification**
  - Residential and commercial benchmarking and disclosure
  - Strengthen and expand energy codes and standards
  - Lead by example with public projects and management
  - Align utility programs with state policy
  - Broaden scope of low- and moderate-income programs
  - Focus market transformation on emissions limits
- **Minimize embedded carbon and refrigerant emissions**
- **Ensure an equitable transition in the built environment**

# Transitioning the Industry Sector

Washington becomes a global leader in the clean energy economy

Improve the state's data and analytical capabilities



Produce hydrogen and clean fuels

Accelerate research and development

Coordinate regulation with other jurisdictions

Develop clean energy industrial policy

# Industry sector actions

---

- **Reduce greenhouse gas emissions**
  - Acquire data, assess reduction potential
  - Lay the groundwork for carbon capture, use and storage
  - Use a technology-neutral regulatory framework
  - Coordinate policy to manage competitive losses
  - Provide more technical assistance to industry
  - Prepare for industrial transition
- **Develop a clean energy industrial policy**
- **Build a clean fuels industry**
- **Expand policy scope to include consumption**
  - Develop a consumption-based inventory
  - Promote disclosure for goods consumed in WA
  - Advance buy clean and buy fair policies
- **Prepare workforce for high-quality clean energy jobs**



# Transitioning the Electricity Sector

---

100% clean electricity and a smart grid enable transformation in other sectors

Ensure effective implementation of CETA

Accelerate new renewables and transmission

Deploy flexible loads and smart devices

Develop market mechanisms for clean power

Protect and enhance resource adequacy

# Electricity sector actions

---

- **Accelerate investment in renewable generation and transmission**
  - Strengthen the state and western region transmission system
  - Encourage and monitor rigorous resource adequacy program
  - Reform and expand wholesale electricity markets
  - Assess potential and facilitate development of in-state clean energy sites
- **Modernize the electricity grid for resilience, flexibility, efficiency**
  - Pursue universal broadband deployment
  - Prepare for widespread distributed energy resources (DERs)
  - Ensure an accessible and secure grid
  - Direct Clean Energy Fund to resilient and flexible grid projects
- **Pursue equitable deployment to promote community resilience**
  - Community ownership DERs and community management of programs
  - Focus incentives and grants on promoting equitable distribution and innovative deployment

# Transformational elements

---

- **Developing clean fuels**
  - Low carbon fuel standard
  - Clean fuels production
- **Electrification**
  - EVSE infrastructure
  - Flexible loads
  - Power system investments
  - Transmission and smart grid
- **Planning and outreach**
  - Coordinated planning
  - Research and development
  - Data for decisions
- **Role of green hydrogen**
  - Power sector balancing
  - Decarbonizing pipeline gas
  - Transportation fuels
- **Equitable and inclusive transition**
  - Access to benefits and opportunities
  - Reduction in cost burdens
- **Investment requirements**
  - Support for communities
  - Transmission and generation
  - Buildings, equipment, vehicles

A high-speed train is captured in motion, blurred horizontally, as it travels along a set of tracks. The tracks curve into the distance under a warm, golden sunset sky. The background shows a modern building and some infrastructure. The overall mood is one of speed and forward progress.

# Strategy Development Moving Forward



# What are the priorities for progress?

---

- Near-term actions focused on 2030 outcomes
- Identify needs and responsibilities
  - Legislative and executive actions
  - Private sector roles
  - Local governments
- Outreach and collaboration for implementation
- Potential infrastructure or recovery funding opportunities
- Recognize limitations with pandemic



Washington State  
Department of  
**Commerce**

[www.commerce.wa.gov](http://www.commerce.wa.gov)



**Agency Contact: Kate Kelly**  
SENIOR ENERGY POLICY SPECIALIST

[Kate.kelly@commerce.wa.gov](mailto:Kate.kelly@commerce.wa.gov)

360.628.6846

[commerce.wa.gov/energystrategy](http://commerce.wa.gov/energystrategy)