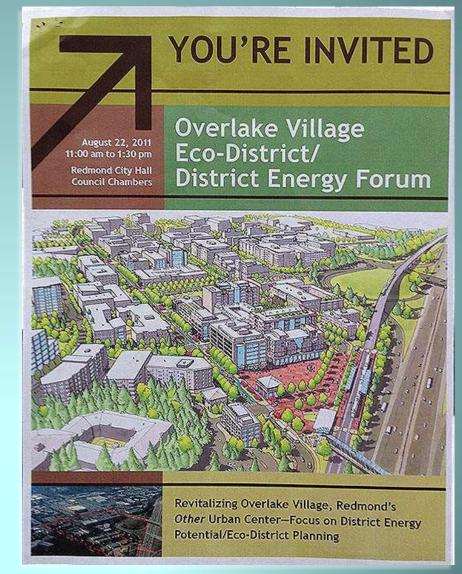
Not (shovel) ready for prime time?

105th Annual Conference & Trade Show International District Energy Association Seattle, WA June 10, 2014

Director, Wind and Hydro Resources
Puget Sound Energy

District Energy in Overlake (?)



Climate Action Strategy

Climate Change:

Include specific provisions to reduce greenhouse gas emissions; include provisions addressing adaptation to the effects of climate change (MPP-En-16, 20 through 25. MPP-DP-45, MPP-T-5 through 7; MPP-PS-1, 12, 13; RCW 80.80.020)

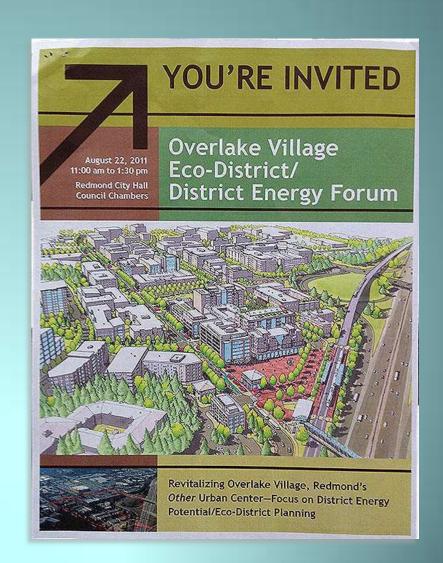
Excerpt from PSRC checklist for Comp Plan periodic update

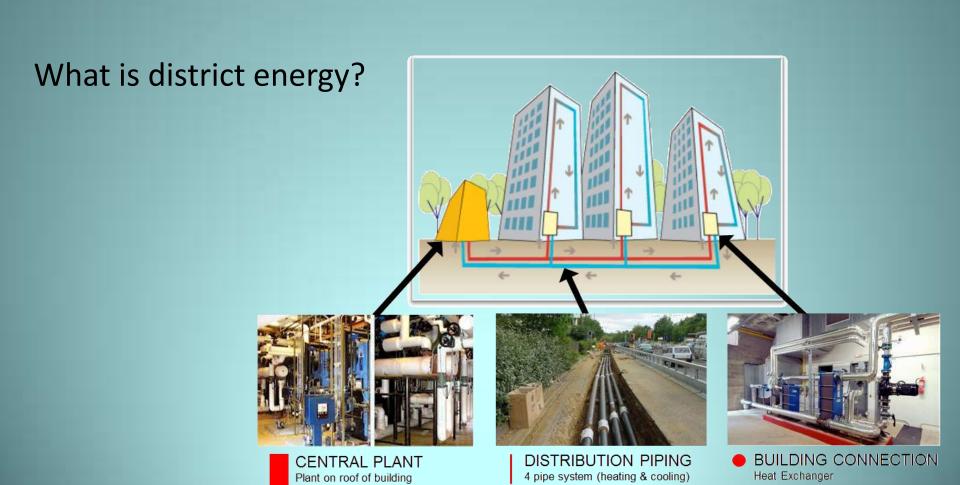
Climate Action Strategy



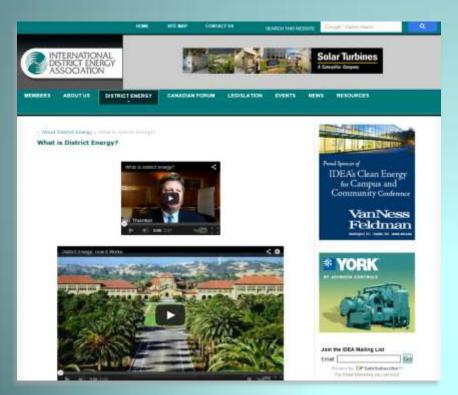
www.impactredmond.com

Idea: How about district energy?





Wait, we need to know more... a *lot* more.

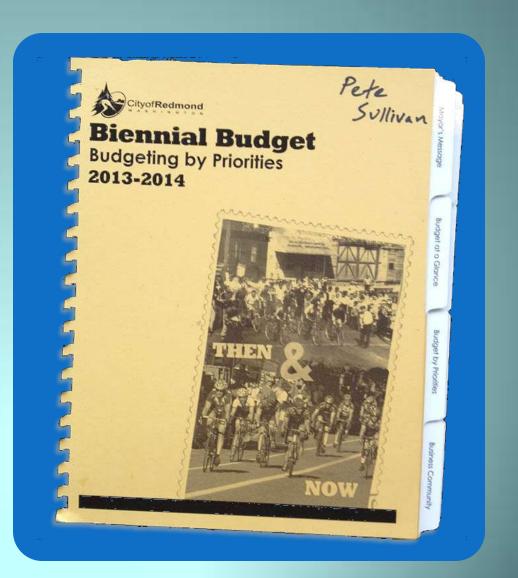


EVOLVE WITH US. LATEST NEWS Revitalizing cities from the neighborhood up. y in

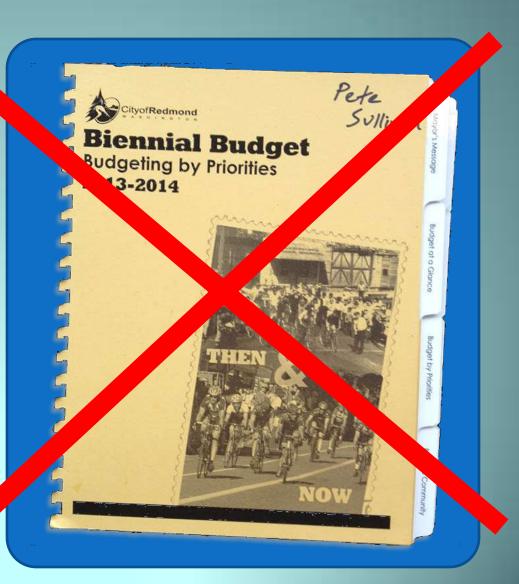
www.districtenergy.org

www.ecodistricts.org

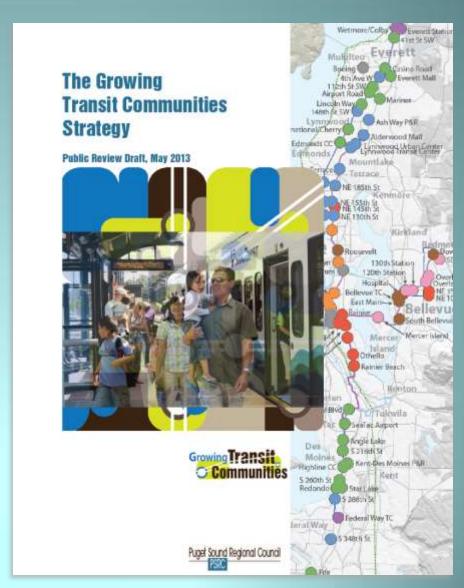
Sounds great, let's study it!



Without funding!



Planning grants in a shovel-ready world...?



Central
Puget Sound
region



Seattle → Greater Eastside → Redmond, WA



Overlake Village

vision



and

implementation



160 acres

+ 5000 people & jobs by 2030

Central plant examples



SOUTH FALSE CREEK Vancouver, BC



THE BREWERY BLOCKS Portland, OR



DOCKSIDE GREEN Victoria, BC



THE ROUND Beaverton, OR



REGENT PARK Toronto, ON



Hartford Central School District Hartford, NY

Geothermal too?



Production Well Injection Well

OPEN LOOP SYSTEMS

Production well and injections well(s). Groundwater withdrawn and re-injected.

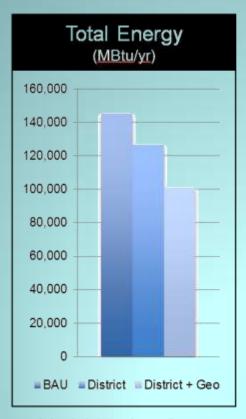




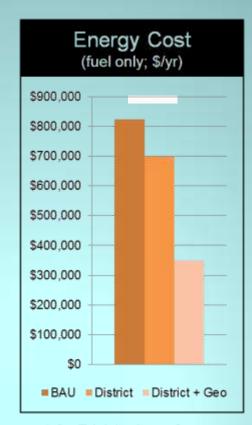
CLOSED LOOP SYSTEMS

Multiple "wells" but no groundwater withdrawn.

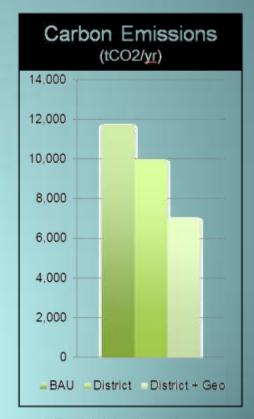
Initial findings



10-30% Savings



10-50% Savings



15-40% Savings

Ownership models

PUBLIC

- · Ownership = Public
- Funding = Public
- Design/Build & Regulatory = Public
- Operations = Public
- Customer Relationships
 Public

PRIVATE

- Ownership = Private
- Funding = Private
- Design/Build & Regulatory = Private
- · Operations = Private
- Customer Relationships
 = Private

PUBLIC PRIVATE

- Ownership = Pr3
- Funding = P3
- Design/Build & Regulatory = P3
- Operations = P3
- Customer Relationships
 P3

COOPERATIVE

- · Ownership = Properties
- · Funding = Properties
- Design/Build & Regulatory = Properties
- Operations = Properties
- Customer Relationships
 Properties

Need more specifics...

Technology Timing

Investment Impact to private developers

Location Incentives

What next?

City Council direction

Partnerships?

Continue learning and exploring

Take-away

Preparing for growth and investment? Consider district energy

Follow all leads

Like running a marathon

Service area -Puget Sound Energy



Business Opportunity & Benefit

- Strengthens PSE's relationship with the City of Redmond as its energy partner.
- Provides potential capacity deferral.
- Provides a cross-functional learning opportunity.
- Gains experience with new concepts.
- Better alignment with State Energy Strategy.
 - "The third emphasis area for the 2012 Energy Strategy focuses on ... energy production using smaller, alternative energy resources instead of large utility-owned plants."

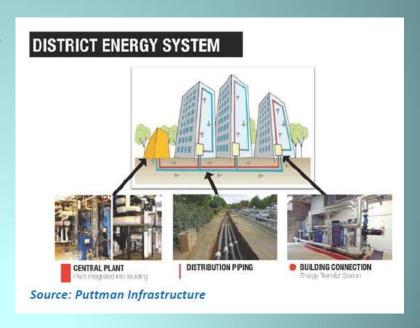
Potential load served ~ 2 aMW

Study Tasks & Timeline

- 1. Energy Use & Engineering Study
- 2. Technology Assessment
- 3. Utility Interconnection Analysis
- 4. Regulatory Review
- 5. Ownership Structures & Financing Methods Evaluation
- 6. Scenario Analyses & Report

Timeline:

Completion in December 2014



Study Team

- External consultants:
 - McKinstry
 - Sound Energy Investments
- Cross-functional team of key

PSE contributors:







Name	Title
Laura Feinstein	Mgr Smart Grid Technology
Mark Lenssen	Supv Energy Mgmt Engineering
Ray Hisayasu	Consulting Engineer, System Planning
Bill Foster	Engineer, System Planning
Micah Haman	EES Program Manager
Duane Henderson	Mgr Gas System Integrity
Jeff Kensok	Sr. Engineer, Smart Grid Technology
Patrick Leslie	Emerging Tech Program Mgr
Tom Maclean	Mgr Customer Renewable Energy Prog
Ben Farrow	Mgr Natural Gas & Electric Development
Eric Englert	Mgr Regulatory Initiatives & Tariffs
Jacoline Stewart	Major Accounts Executive

Not (shovel) ready for prime time?

Questions?

Paul Wetherbee

Director, Wind and Hydro Resources
Puget Sound Energy

Pete Sullivan

Senior Urban Planner City of Redmond, WA