

Policy Number: SD15
Policy Type: Strategic Direction
Policy Title: Climate Change Policy
Effective Date: August 1, 2018

The Board recognizes that climate change presents ongoing environmental, economic and social risk to EWEB, our customers, our community and the world. The primary potential direct impacts to EWEB operations from climate change include changes in streamflow –quantity and timing- affecting hydroelectric generation, impacts to water quality and watershed health, changes in consumption patterns, and increasing threats from weather events. The Board also recognizes that EWEB, as a water and electric utility, impacts our climate through electric generation resource choices, business practices and the operation and maintenance of our lands, buildings and transportation fleet.

Accordingly,

- The Board is committed to supporting an *electric power portfolio utilizing low-carbon, renewable resources* to the extent possible and practical without impacting safety or reliability.
- The Board authorizes, delegates and directs the General Manager to participate in local, state, and regional efforts to encourage, develop and *enact measures to mitigate carbon emissions in the energy sector* that contribute to climate change.
- The Board further authorizes, delegates and directs the General Manager to continue efforts to *reduce the greenhouse gas emissions from EWEB's operations* through the use of the Triple Bottom Line analytical framework, including impacts on the environment and climate.
- The Board further authorizes, delegates and directs the General Manager to *assist customers with their carbon reductions* through technical assistance and resources that support energy efficiency, alternative fuels, electric and water conservation, and smart electrification.
- The Board directs the General Manager to evaluate and enact measures, as necessary and appropriate, to prepare for and *minimize the effects of climate change that could impact EWEB's* water and electric supply and infrastructure, damaging EWEB's resiliency and reliability.

Discussion:

Climate change is the greatest environmental threat we have faced, and its impacts affect everyone. Greenhouse gas emissions from human activity are known to be the primary cause of climate change. It is widely recognized that a sustained societal reduction of greenhouse gas emissions is necessary to slow and stabilize ongoing climate change.

The energy, industrial, agricultural and transportation sectors are generally identified as the primary sources of carbon dioxide and other greenhouse gas emissions in the United States. EWEB's energy portfolio is composed almost entirely of carbon-free resources. However, not all energy sources in the Pacific Northwest are carbon-free. EWEB will seek to decrease greenhouse gas emissions through a

concept known as smart electrification- the use of electricity to replace other energy sources in ways that increase energy efficiency, decrease carbon emissions and decrease costs to customers and society. Through partnerships with others in the region, EWEB will seek to decrease the energy sector's regional carbon footprint. Through local partnerships, EWEB will seek to aid and assist the mitigation of climate impacts from the industrial and transportation sectors in our community.

It is also important that EWEB, as a public water and electric utility, understands the impacts of climate change to our operations, and commits to do our part to minimize the impacts from our operations. EWEB, as a generator and purchaser of electricity, has a role and an obligation to participate in local and regional efforts to reduce carbon emissions from the electric power sector. Similarly, as an energy provider to homes, industry and business within our service territory, EWEB has a role and obligation to help our community reach its carbon reduction targets. In order to address the climate impacts of our own decisions and operations, EWEB will include climate impacts in future Triple Bottom Line (TBL) evaluations completed for items brought to the Board. So that our actions are visible to our community, at least annually EWEB will compile and report climate change mitigation activity, including a greenhouse gas inventory, and will calculate and publish the carbon intensity of our energy portfolio.