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August 6, 2019

MEMORANDUM

- TO: Council Members
- FROM: Elizabeth Osborne
- SUBJECT: Presentation by Douglas County PUD on Renewable Hydrogen legislation and research

BACKGROUND:

- Presenter: Gary Ivory, General Manager, Douglas County Public Utility District
- Summary: Douglas County PUD General Manager Gary Ivory will brief the Council on the utility's operations, including an overview of a proposed pilot project to generate renewable hydrogen. Mr. Ivory will review legislation that was adopted in Washington during the 2019 session authorizing public utility districts to produce, distribute, and sell renewable hydrogen.
- Background: Douglas County PUD was organized in 1936 and began operations in 1945, initially serving customers with electricity from the Bonneville Power Administration. The PUD then began licensing and constructing the 840 MW Wells Dam in the 1950s, and began generating power from it in 1967. Today Wells Dam generates most of the power serving the PUD's approximately 16,000 customers.

Douglas County PUD supported Senate Bill 5588 ("Authorizing the production, distribution, and sale of renewable hydrogen") during the 2019 legislative session. The bill builds on earlier legislation authorizing public utility districts to produce and use renewable natural gas for internal operations or for delivery to a natural gas pipeline located in Washington. SB 5588 authorizes PUDs to produce and use renewable natural gas for

internal operations, to sell renewable hydrogen for delivery to a gas transmission pipeline located in Washington, or in pressurized containers for some manufacturing processes. Douglas County PUD plans use this authority to research a 2-3 MW renewable hydrogen project.