District Energy Planning Update

Energy & Environment Committee

Seattle City Council

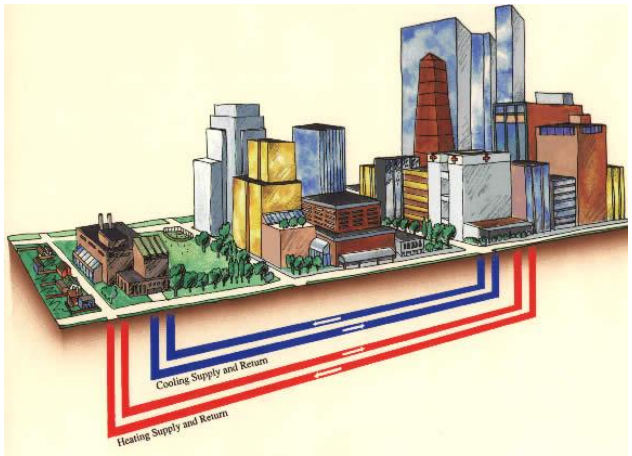
SEATTLE OFFICE OF
Sustainability & Environment

January 8, 2013

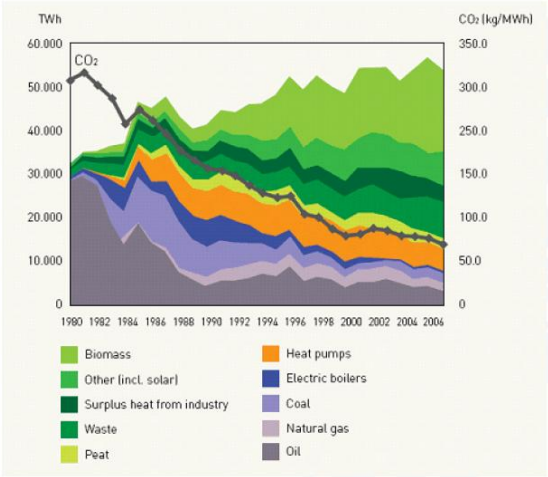
Background Information

Seattle's Interest in District Energy

- Environmental benefits
  - Efficiency in the system
  - Opportunity for low-carbon fuel sources to replace fossil fuels
  - Economies of scale make more local renewable fuel sources possible



- Economic benefits
  - Through local energy capture/production

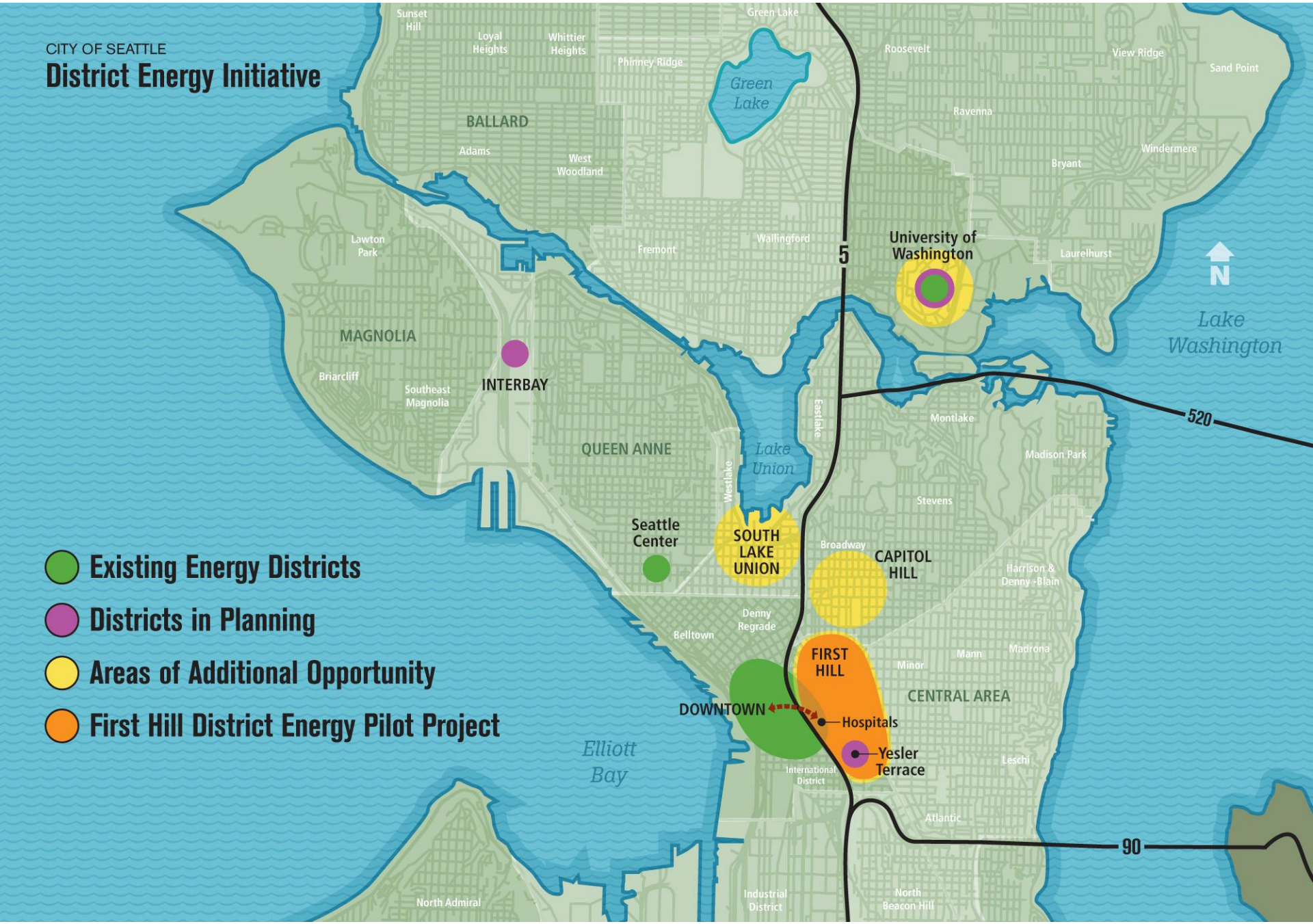


Source: Swedish Energy Agency

City of Seattle

CITY OF SEATTLE

District Energy Initiative



Resolution 31354 – February 2012

"A RESOLUTION establishing the City's intent to seek a private sector partner to assist it in exploring possible models for expanding, upgrading, and/or developing district energy systems in certain areas of Seattle"

- *Supports exploring First Hill opportunities for district energy*
- *Supports issuing an RFQ for a private district energy provider*
- *Recognizes we will work with First Hill partners: Hospitals, Seattle Housing Authority, Seattle Steam*

Progress Report

First Hill

South Lake Union

First Hill – Progress Report

Original Approach

Release RFQ & Select DE Utility

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Full Feasibility Analysis (w/ SHA and 3 Hospitals)

↓

Decision & Implementation

Current Approach

Release RFQ & Select DE Utility	Spring 2012
Business Environment Assessment	Summer 2012
Alternatives Analysis	Fall 2012 – Winter 2013
Full Analysis of Preferred Alternative	Spring – Summer 2013
Negotiations & Execution	Summer 2013 – Early 2014

South Lake Union - Update

- District Energy Screening Study:
  - Likely DE development scenarios
  - How can individual developments optimize their ability to connect?
  - How should the City facilitate system development?
- Study by Compass Resource Management in conjunction with many City and community stakeholders
- Timeline
  - Scenario results anticipated in February
  - Recommendations anticipated in March

Questions?