



Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
Received pse.com
Records Management
Nov 28, 2023

November 28, 2023

Filed Via Web Portal

Kathy Hunter
Acting Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Docket A-230217 – Commission Policy Statement to address the application of equity and justice in Commission and regulated companies' processes and decisions, Comments of Puget Sound Energy

Dear Executive Director Hunter:

Puget Sound Energy (“PSE” or “Company”) provides the following comments to the Washington Utilities and Transportation Commission (“Commission”) in response to the Notice of Opportunity to File Written Comments (“Notice”) issued on September 29th, 2023, in Docket A-230217 – Commission Policy Statement to address the application of equity and justice in Commission and regulated companies' processes and decisions.

PSE is committed to providing uncompromised safety, reliability and affordable energy to all customers, while paying attention to environmental and socioeconomic differences and disparities to ensure equitable distribution of benefits and burdens in the provision of energy service. As a result of the Clean Energy Transformation Act, PSE has an obligation to provide an equitable distribution of benefits and reduce burdens to vulnerable populations and highly impacted communities. As PSE works to create a new clean energy future, the Company is committed to ensuring all of our customers, especially those who shoulder an outsized share of the climate burden, have a voice in and benefit from the transition to clean energy.

PSE is making use of the energy justice concepts or tenets – Distributional, Procedural, Recognition, and Restorative justice – as described in the Commission’s Final Order in the 2022 Cascade Natural Gas General Rate Case Docket UG-210755. These energy equity tenets are described by the University of Michigan’s School for Environment and Sustainability’s Energy Equity Project (“EEP”). According to the EEP, “energy equity recognizes the historical and cumulative burdens of the energy system borne by frontline and low-income communities and Black, Brown and Native people. To eliminate these disparities, energy equity centers the voices of frontline communities in energy planning and decision-making and ensures the fair

distribution of clean energy benefits and ownership.”¹ The four tenets of energy justice are interdependent, making it challenging to focus on a single tenet in isolation, rather than as a coherent framework. PSE is developing a holistic multi-dimensional approach that will measure maturity and progress across these four tenets, incorporating qualitative and quantitative data, to establish accountability and develop transparent data reporting processes.

In addition, EEP promotes a “bottom-up” approach to advance equity by recognizing the unique circumstances and needs of communities that have been historically marginalized and underserved, while promoting an inclusive decision-making process. PSE is committed to ensuring communities can participate in program design throughout the project lifecycle and will continue to coordinate meaningful and routine engagement opportunities. PSE’s approach to procedural justice is to build trust and drive authentic community engagement. This is achieved through identifying and prioritizing areas of community needs, building relationships with Community-Based Organizations (“CBOs”), meeting communities and individual customers where they are, and ensuring two-way interactive communication that includes not only listening, but also following up on what was heard and communicating effectively the actions taken and how feedback was considered throughout the process.

PSE is committed to furthering procedural justice through its engagement efforts. For example, the Clean Energy Implementation Plan Customer Education and Awareness Program (“CCEAP”), formed in 2023, aims to reduce existing disparities and paves the way to advance procedural and distributional energy justice by providing education about the clean energy transition specifically for named communities and communities facing language access barriers. Also, PSE is working closely with internal engagement teams to bring coordinated engagement efforts to customers, including named communities. In fall 2023, PSE co-hosted Equity Forums in Mt. Vernon and Renton in partnership with the Equity Advisory Group. Through that process, two community-sourced clean energy project opportunities were identified and are currently under evaluation. The forums also provided a deeper understanding of the challenges and barriers experienced by organizations or individuals serving communities and identified potential solutions to some of the challenges. PSE is exploring opportunities for future forums (both in-person and digital).

Before turning to the responses to the specific questions in the Notice, PSE would like to express one concern with the scope and process in this docket. The Notice states that the Commission expects this docket will take about two years to complete. The Notice also states that this proceeding will start by exploring Procedural Justice, followed by Distributional Justice, Recognition Justice, and then Restorative Justice. As a result of PSE’s 2022 Settlement Stipulation and Agreement from the General Rate Case and the associated Commission order², PSE needs to complete a Distributional Equity Analysis (“DEA”) pilot, participate in a Commission-led distributional equity process, gain Commission approval of its methods for distributional equity, and apply the approved methods to its Corporate Capital Planning and

¹ See “What is Energy Equity?” at the EEP’s website, available at: <https://energyequityproject.com/>.

² *WUTC vs. Puget Sound Energy*, Docket UE-220066 and UG, Final Order 24/10 (December 22, 2022)

Delivery System Planning processes by the end of 2024. At the time of writing, PSE is partnering with the Lawrence Berkeley National Laboratory to conduct a DEA pilot. Given that Distributional Justice will be explored as the second part this docket, PSE's ability to meet all of the components of the DEA settlement condition by the end of 2024 will be dependent on the timing and guidance stemming from that portion of the docket. The overall timing of the docket and the decision to begin this proceeding with procedural justice leaves PSE concerned that it may not be possible to obtain discussion and approval of a DEA concept in time to apply approved methods to the required planning processes noted above. PSE looks forward to additional communication with the Commission about this challenge.

The following are PSE's responses to the specific questions posed in the Notice:

1. What Procedural Justice considerations would you like to see discussed?

PSE suggests the following considerations be discussed in this docket to clarify expectations, enhance understanding and foster best practices.

Learning about Best Practices

PSE is interested in an examination of best practices for the elements of procedural justice. As an essential service provider of light, heat and power, it is critical to engage with customers and communities in a variety of ways - from product promotion, to meeting the needs of all customers, to communicating about infrastructure projects, to supporting nonprofits and organizations that keep communities strong and help those most in need. What are some of the ways that utility peers are building trust and incentivizing the engagement of smaller, overlooked communities? What recommendations do interested parties have from other successful experiences with utilities or other entities? How are other utilities empowering communities and providing opportunities for two-way interactive engagement? A roundtable, workshop style discussion might be beneficial, where utilities and other interested organizations could share ideas and best practices, particularly about how to effectively engage highly impacted communities and vulnerable populations.

Measuring Community Engagement and Equity Outcomes

How should meaningful community engagement and positive equity outcomes be measured? It is important to measure maturity in energy equity in a meaningful way in order to demonstrate progress. For procedural justice, qualitative metrics (e.g. depth of engagement, community success stories, etc.) may be more meaningful, as they are more descriptive as compared to strictly measuring success according to quantitative metrics (e.g. number of engagement events). Utilities in Washington currently report on numerous quantitative equity metrics. Are these quantitative metrics useful? What is a manageable way to represent progress on equity for most customers? What improvements can be made to how utilities are currently measuring and evaluating progress on equity?

Advisory Group Roles and Expectations

PSE's Equity Advisory Group, Conservation Resource Advisory Group, and Low-Income Advisory Committee play an important role in advising and influencing PSE's decision-making process, particularly in the areas of clean energy, energy assistance programs and conservation programs. While engagement with these advisory groups is important, PSE sees value in engaging with the public more broadly through a variety of ways, including conversations with CBOs, PSE participation in community events, and other avenues. The Commission has also encouraged PSE to engage in broader public participation and outreach. As PSE begins to incorporate procedural justice in our operations, what are the right roles and opportunities for advisory groups relative to broader public engagement? How should PSE strategically utilize engagement without overburdening advisory groups or customers, particularly vulnerable populations and highly impacted communities? Does the Commission have a perspective on how to best strike a balance between public engagement and advisory group engagement?

2. What element(s) of Procedural Justice is most important to you?

Advancing Procedural Justice means bringing new, often underrepresented, voices to the engagement process. For instance, PSE is improving our gas and electric Integrated Resource Plan ("IRP") engagement process by diversifying participation opportunities through a technical advisory group and a public track in an effort to encourage new and diverse voices to the table.

Thank you for the opportunity to provide these comments. Please contact Troy Hutson, Director of Energy Equity, at Troy.Hutson@pse.com for additional information about these comments. If you have other questions, please contact me.

Sincerely,

/s/ Wendy Gerlitz

Wendy Gerlitz
Manager, Regulatory Policy
Puget Sound Energy
PO Box 97034, BEL10W
Bellevue, WA 98009-9734
425-462-3051
Wendy.Gerlitz@pse.com

cc: Sheree Strom Carson, Perkins Coie