

**EXH. AEW-4
DOCKETS UE-220066/UG-220067
2022 PSE GENERAL RATE CASE
WITNESS: AMY E. WHEELLESS**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**Docket UE-220066
Docket UG-220067**

**THIRD EXHIBIT (NONCONFIDENTIAL) TO
THE PREFILED RESPONSE TESTIMONY OF**

AMY E. WHEELLESS

**ON BEHALF OF NW ENERGY COALITION, FRONT AND CENTERED, AND
SIERRA CLUB**

JULY 28, 2022

**JOINT COMMENTS ON
CUSTOMER BENEFIT INDICATORS
ON BEHALF OF**

**THE ENERGY PROJECT
FRONT AND CENTERED
NW ENERGY COALITION
THE WASHINGTON STATE OFFICE OF
THE ATTORNEY GENERAL, PUBLIC COUNSEL UNIT**

July 30, 2021

WAC 480-100-640(4)(c) requires utilities to propose or update customer benefit indicators and associated weighting factors. As defined in WAC 480-100-605, a customer benefit indicator is an attribute of a resource or related distribution system investment (*i.e.*, a specific action) associated with RCW 19.405.040(8), and is included in the Clean Energy Transformation Standards in WAC 480-100-610(4)(c). Specifically, WAC 480-100-640(4)(c) requires that utilities propose at least one indicator for each element of customer benefits listed in the rule.

The Energy Project, Front and Centered, NW Energy Coalition, and the Public Counsel Unit of the Attorney General's Office propose the following customer benefit indicators and suggested metrics for each element outlined in WAC 480-100-610(4)(c) as outlined below:

Energy Benefits

1. Improve efficiency of housing stock in utility service territory, including low-income housing:
 - Increased funding of efficiency programs targeted to low income, both owner and renter.
 - Increased participation in programs.
 - Reduction in bills due to actions taken to improve efficiency.
 - Increase number and percentage of appliances converted to efficient models.
 - Improvement and expansion of EE in rental housing stock.
2. Low income and vulnerable communities have access to an increasing number of renewable or non-emitting distributed generation resources:
 - Increase in number of distributed and community renewable projects.
 - Increase in number of community groups and households that own renewable energy projects.
 - Increased percentage of electricity generated by distributed renewable energy projects.

Non-Energy Benefits

3. Community Employment opportunities:
 - Increased number of local low-income and vulnerable population representation in clean energy apprenticeships and/or training programs in the state.
 - Increase in number of living wage/union jobs sustained.

- Increased representation of low-income and vulnerable communities for contractors selected in local program delivery
4. Health and Community well-being:
- Reduced number of school and work absences due to illness triggered by poor air quality in highly impacted communities.
 - Improved housing conditions: health and safety outcomes related to weatherization measure installation.
 - Improved comfort in home (for example, customers' ability to heat/cool as needed, with efficient heat pump technology) due to more affordable bills.
 - Increase in number of customers with access to electricity as a transportation fuel in highly impacted communities.
 - Increased incorporation of non-energy benefits in utility cost-effectiveness analyses, particularly for low-income weatherization measures and programs.

Reduction of Burdens

5. Reduction in number of customers suffering from high energy burden by:
- a. customers in highly impacted communities;
 - b. customers in vulnerable populations;
 - c. participants in bill assistance programs;
 - d. known low-income customers; and
 - e. other residential customers with high energy burden.
6. Reduced barriers for program participation:
- Increased participation in bill assistance, weatherization, and energy efficiency programs and grant opportunities.
 - Expand translation services.
 - Reduction in cost disparities between customers who have access to EV charging at home on a residential rate and customers who do not have access to EV charging at home.

Public Health

7. Improved Health outcomes:

- Reduction of hospital admissions for asthma.
- Decreased wood use for home heating.
- Improvements in indoor and outdoor air quality in communities that experience poor air quality due to pollution.
- Reduction in health care cost burden and reduced health care bills.

Environment

8. Reduction of GHG emissions:

- Continuous reduction in overall greenhouse gas emissions in the utility service area.
- Increased electrification (gas to electric conversions).
- Increased electrification of medium- and heavy-duty transport and utility maintenance fleets, and last-mile delivery fleets that serve or operate in highly impacted communities.
- Increased electrification of transit services.

9. Reduced Pollution Burden and Pollution Exposure:

- Decrease in share of population and pollution burden, by race/ethnicity, geography and all customer groups (e.g., income level, frontline community, senior citizens, medically vulnerable, rural/ urban, renter/homeowner, race, gender, ability/disability, language spoken, etc.).
- Decrease in air pollution exposure index, by race/ethnicity and all other customer groups.
- Reduction of particulates from fossil fuel burners in targeted neighborhoods.
- Reduction in airborne particles in neighborhoods next to rail lines that transport coal.
- Improved air quality due to reduction in diesel particulate emissions.

Reduction in Cost

10. Expand Bill Assistance Programs:

- Increase participation rates, including among highly impacted communities, vulnerable populations, and all eligible customers.
- Increase penetration rates (portion of those eligible participating) overall and among highly impacted communities and vulnerable populations.
- Increase annual program budget showing increases over prior years
- Increase in customers avoiding disconnection (i.e. customers who fall behind, but are ultimately spared disconnection due to assistance)

11. Reductions in Number and Amounts of Arrearages:

- Reduction in number and percentage of residential customers with arrearages 90+ days—with breakout for customers by zip code/census tract, renter, highly impacted communities, vulnerable populations, known low income, and BIPOC communities.

Reduction in Risk

12. Fewer customers with low utility credit code scores / fewer customers sent to collections:

- Reduction in number and percentage of residential customers with the lowest and second lowest utility credit code scores.
 - With particular attention to highly impacted and low-income communities.
- Utility assessment and review of its credit code score system.
- Reduction in number and percentage of customers sent to collections for residential customers, including customers in highly impacted communities.

13. Increase Neighborhood Safety:

- Reduction in frequency and length of outages due to major disasters, wildfires, and extreme weather events through cost-effective investments to reduce risk.
- Increased capacity of local community to respond to local disasters or weather events.

Energy Security

14. Reduced Residential Disconnections:

- Reduction in number and percentage of residential customer disconnections.
- Reduction in number and percentage of residential customer disconnections by location (and demographic info) of residential customer disconnections (zip code/census tract; renter; known low-income; highly impacted communities; and BIPOC customers).
- Reduction in risk of disconnection as evidenced by increased participation in arrearage management and Percentage of Income Payment programs.

15. Improved access to reliable clean energy:

- Increase number of neighborhoods with storage/backup/locally powered centers for emergencies.
- Increase distributed generation in low-income neighborhoods.
- Optimize grid investments on the distribution system through increased distribution system planning.

Resilience

16. Reduce frequency and duration of blackouts or brownouts in target communities:

- Improve SAIDI and SAIFI, particularly in communities that have experienced long loss of service in the past.

17. Reduction in energy and capacity need:

- Increased participation in targeted demand response, load management, and behavioral programs that result in a measurable reduction to peak demand.
- Increased acquisition of energy efficiency savings.
- Increased water savings due to water efficiency measures.