### **PACIFICORP**

# WASHINGTON CLEAN ENERGY IMPLEMENTATION PLAN DOCKET UE-210829

## COMMENTS OF THE ENERGY PROJECT

May 6, 2021

## I. INTRODUCTION

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Pursuant to the Commission's Notice of Opportunity To File Written Comments (January 7, 2022), The Energy Project (TEP) provides these comments regarding PacifiCorp's Final Clean Energy Implementation Plan (CEIP or Final CEIP), filed December 30, 2021. The Energy Project filed written comments regarding the Draft CEIP on December 3, 2021. Our comments are primarily focused on the Customer Benefit Indicators (CBIs) and Specific Actions sections of the CEIP. We recommend the inclusion of additional CBIs as well as the addition of specific planned utility actions related to all CBIs. We appreciate the opportunity to share feedback with the Commission, the Company, Commission Staff and other stakeholders.

### II. COMMENTS

## A. Customer Benefit Indicators

## 1. Content of CBIs

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Earlier in the CEIP process, in planning for participation in multiple CEIP dockets, TEP, Front and Centered, the Northwest Energy Coalition, and the Public Counsel Unit of the Washington Attorney General's Office made the decision to develop and present a joint set of

TEP COMMENTS DOCKET UE-210829 Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110 (206) 669-8197

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recommended Customer Benefit Indicators (CBIs) to the utilities. The intent was to provide coordinated input to the various dockets, as part of the public and advisory group process, in the interest of clarity and efficiency. The hope was this unified set of proposals from four major consumer stakeholders would facilitate consideration more readily than multiple comments and suggestions.

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The Joint Advocates initially shared this list with the Company and stakeholders in late
July 2021 and have subsequently filed the list in this docket. In a few areas, modifications were
made by PacifiCorp to the draft CBIs to incorporate feedback from the Joint Advocate list.

While we appreciate the modifications, TEP prepared a comparison analysis and found that only
about half of the Joint Advocate CBIs were even partially addressed through PacifiCorp's list as
of the draft CEIP. (Please see Table 1, attached, for this analysis.) Disappointingly other than
two metrics being recategorized under different CBIs, the content of CBIs and their associated
metrics have not changed since the draft. Thus, no additional Joint Advocate CBIs or metrics
have been addressed in the Final CEIP.

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Given that the Joint Advocate group is primarily composed of advisory group members, representing large and important PacifiCorp and Commission constituencies (residential, low-income customers, and environmental interests) the lack of responsiveness to these recommendations is noteworthy. The Energy Project recommends that PacifiCorp revise the Final CEIP to further incorporate the Joint Advocate proposed CBIs, and to reconsider its decision not to incorporate directionality into the existing CBIs. While, as a general matter, TEP

TEP COMMENTS DOCKET UE-210829 Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110 (206) 669-8197 continues to recommend inclusion of all the Joint Advocate CBIs, a few areas of particular concern are highlighted below:

- Reduction of Arrearages 90+ days. Consistent with the Joint Advocate list, TEP recommends "Reduction in Number and Amount of Arrearages" (Metric: Arrearages 90+ day) as a CBI for the 'Reduction in Cost' statutory element. As part of the COVID-19 relief docket (U-200281), the IOU data filings underscored that those customers with arrearages 90 or more days past due are the customers most struggling to pay their bills and therefore most at risk of disconnection. While the CEIP includes residential disconnections as a CBI, TEP believes that Reduction of Arrearages 90+ days, with a data tracking for low-income and named communities, is a critical additional CBI to include in the Final CEIP.
- Low-Income and Vulnerable Populations Access to Renewables and Distributed Energy Resource (DER). This CBI metric from the Joint Advocate list (as an 'Energy Benefit' CBI) is not addressed at all in PacifiCorp's CEIP. Appendix B to the CEIP provides a comparison of the Company's proposed CBIs to the Joint Advocate CBIs. For this metric the appendix explains: "The Company has historically supported the creation of state funded renewable energy incentives targeted to low-income customers. As the state adopts renewable incentive programs in the future, the Company will evaluate how to encourage their use in our service territory." This appears to be a passive approach,

<sup>&</sup>lt;sup>1</sup> Docket U-210829. PacifiCorp CEIP, Appendix A, cell F254, December 30, 2021.

postponing action until an indeterminate future date, with no indication that PacifiCorp

intends to develop initiatives of its own in this area. To remedy the Company's failure to

adequately address this issue, TEP recommendation would include a CBI for "Access to

an increased number of renewable or non-emitting distributed energy (DG) resources."

The associated metric would track the "increase in the number of DG and renewable

energy projects for low-income, vulnerable populations and highly impacted

communities." This would provide a tangible measure of the sharing of clean energy

benefits with low-income and named communities.

Improved Access to Reliable Clean Energy. The Joint Advocate CBI list included this

CBI under the 'Energy Security' statutory element. Specific metrics within this proposed

CBI included increased storage and backup power in neighborhoods for emergencies,

increased DER in low-income neighborhoods, and optimizing grid investments through

increased distribution system planning. Appendix B to the CEIP shows that the

Company is not planning to track any of these metrics (for DER, PacifiCorp again

mentions the Company's historic support of state-funded renewable efforts).<sup>2</sup> We

recommend inclusion of this CBI in the Final CEIP.

Additional issues included in the Joint Advocate CBIs but omitted from PacifiCorp's CBI

list include the following:

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• Electrification of transit

<sup>2</sup> Docket U-210820. PacifiCorp CEIP, Appendix B, p. 4, December 30, 2021.

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Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110

(206) 669-8197

• Reduced health care costs

• Increased community employment opportunities

• Increased incorporation of non-energy benefits in utility cost-effectiveness analyses

Review of utility credit code scoring and fewer customers with low utility credit codes

All of these deserve review and consideration for inclusion in the CEIP.

# 2. Data for Highly Impacted Communities and Vulnerable Populations

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The Energy Project appreciates that PacifiCorp is seeking to analyze and present data related to its CBIs for Highly Impacted Communities (HIC) and Vulnerable Populations (VP) within its service territory. Table 2.19, for example, shows Energy Burden data for different Vulnerable Population groups. The Energy Project appreciates that PacifiCorp has begun to analyze and present this type of data in the development of its CBIs. In general, this kind of deeper analysis of utility data will help further refine the CBIs and should also help contribute to development of meaningful utility specific actions in the CEIP.

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One example of inclusion of data for HIC in the CEIP pertains to duration and frequency of outages. Figures 2.12, 2.14, and 2.16 provide SAIDI, SAIFI, and CAIDI data including major events for all customers for HIC and non-HIC areas. In the draft CEIP, PacifiCorp provided these reliability data for the year of 2020 only, which indicated that HICs experience lower reliability than non-HIC areas. In the Final CEIP, PacifiCorp has expanded this reliability data to include 2014 to 2021 YTD and states that the broader dataset shows "no persistent bias for

TEP COMMENTS DOCKET UE-210829 Simon J. ffitch Attorney at Law 321 High School Rd. NE,

Suite D3, Box No. 383
Bainbridge Island, WA 98110

(206) 669-8197

HIC versus non-HIC reliability" and that the 2020 data was worse for HICs due to two windstorms.<sup>3</sup>

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The fact that two windstorms negatively impacted HIC reliability is a cause for concern. Climate change will likely increase the number and severity of major weather disruptions. We recommend that the CEIP track reliability data for HICs and VPs as a means to verify that a robust network is in place to ensure these populations do not disproportionately take the brunt of severe weather service disruptions. As discussed below under "Specific Actions," this is the type of data and information that can be particularly helpful in tracking performance under Clean Energy Transformation Act (CETA), and especially relevant to developing utility actions that can help ensure equitable distribution of benefits.

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The Energy Project appreciates the presentation of updated data for HIC and Vulnerable Populations in Table 2.18 (Energy Burden for Washington Service Area) and for HIC in Table 2.23 (Washington Residential Customers Experiencing a Disconnection). These tables clearly show the additional burden felt by HICs. However, more work can be done to assess the burden experienced by Vulnerable Populations. For example, disconnection data can be assessed by subgroups of VPs, such as those with medical certificates, those with payment arrangements, or those classified as low-income. There are likely other areas where it would be very helpful to analyze data for HIC and Vulnerable Populations, such as Arrearages 90+ days, as well as utility credit code scoring (those customers most at risk of pending disconnection), in order to help

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develop specific actions that can have meaningful impact.<sup>4</sup> As the CEIP is reviewed by the Commission, TEP recommends further incorporation of data tracking for customers in HIC and Vulnerable Populations.

# 3. Organization

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PacifiCorp's CEIP outlines its CBIs at Table 2.3. One confusing aspect of this table is that multiple statutory elements are often indicated for a given CBI. For example, "non-energy benefits" is referenced for four of the nine CBIs. In contrast, the statutory elements "energy security" and "energy resiliency" are shown as pertaining to only a single CBI. The Company indicates this modification to the organization of the CBIs was made later in the process, after reviewing Avista's draft CEIP. As we stated in our comments on the draft CEIP, we recognize that some degree of overlap certainly exists, but TEP believes PacifiCorp's structure creates unnecessary confusion. Ultimately, it is important to make sure that each statutory element receives equal weight and consideration within the CBIs. For clarity, we recommend a structure along the lines of the Joint Advocates' CBIs, whereby the CBIs are organized around a single statutory element.

## 4. Weighting Process

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PacifiCorp undertook a weighting process with the Equity Advisory Group (EAG) and its customers through a public survey. An area of concern for TEP is that as a general matter, this exercise may seek to prioritize certain statutory elements over others, which is not contemplated

<sup>&</sup>lt;sup>4</sup> The Energy Project recognizes that there will be additional work going forward after the CEIP is in place to further determine appropriate data and mapping of vulnerable populations in PacifiCorp's service territory. We encourage PacifiCorp to actively engage with its advisory groups, including the Low-Income Advisory Group in this process.

under the CETA. Within the weighting process, TEP also notes two of PacifiCorp's own key cautionary takeaways from the survey: (1) there is a "need for increased effort to ensure survey responses are representative of PacifiCorp's broader customer base" and (2) that "under-sampled populations tended to rank Affordability higher".<sup>5</sup> TEP is concerned that non-representative survey responses may have contributed to a flawed weighting process.

# 5. Stakeholder Engagement

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PacifiCorp engaged with its EAG on development of the CBIs and draft CEIP and sought feedback from its customers via a public survey. The Energy Project has two concerns in this area. First, PacifiCorp's other stakeholder advisory groups— Demand Side Management (DSM) Advisory Group and Low-Income Advisory Group— were not actively engaged as part of the development of the CEIP. The lack of response from PacifiCorp to stakeholder feedback between the draft and Final CEIP is one reflection of this flawed process. Such engagement is an integral part of the CEIP development process specifically contemplated and required by the Commission rules.<sup>6</sup> Second, a significant part of the EAG process itself involved customers responses to a PacifiCorp's Internet survey. These responses were unlikely to be fully representative of the Company's customer base given that they are customers who have access to technology and time and ability to engage through that channel. While TEP recognizes that PacifiCorp held a meeting with the Joint Advocates in mid-November subsequent to the filing of the Draft, that meeting has not had visible results. We hope that dialogue can continue, and that

<sup>&</sup>lt;sup>5</sup> PacifiCorp CEIP, p. 109, December 30, 2021.

<sup>&</sup>lt;sup>6</sup> WAC 480-100-655(1).

in the future, all stakeholder advisory groups are engaged more fully and actively on CETA development and implementation matters as required by Commission rules.

## **B.** Specific Actions

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PacifiCorp's planned specific actions are described in Chapter 3 of the CEIP, organized around four categories: supply side resources, community outreach & engagement, energy efficiency, and demand response. The Energy Project recognizes and appreciates PacifiCorp's additions to Chapter 3, which further identified the CBIs that are relevant to the specific actions in the four aforementioned categories. However, TEP remains concerned that PacifiCorp's planned specific actions fail to include any clear planned utility actions related to some of its proposed CBIs, particularly CBIs that do not fall under the four categories. A central purpose of the CBIs is to allow the Commission and stakeholders to monitor and track performance related to CETA, and the specific actions should outline and describe the utility's planned actions designed to impact those CBIs. This disconnect between the specific actions and CBIs is concerning. The Energy Project hopes this can be remedied by Company CEIP revisions, or as part of the Commission's review of this CEIP. Going forward, TEP recommends that the "Specific Actions" discussion in the CEIP should be organized around the CBIs, to allow for greater understanding and clarity as to how planned actions are expected to impact the CBIs.

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Perhaps the most glaring example of the disconnect between PacifiCorp's planned specific actions and its proposed CBIs is with respect to the proposed CBI regarding residential customer disconnections. The Energy Project appreciates and supports the inclusion of residential customer disconnections as a CBI. However, the Company's planned specific actions

TEP COMMENTS DOCKET UE-210829 Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110 (206) 669-8197 do not include any discussions of actions that are anticipated to impact this CBI. This is further confirmed in Appendix C to the CEIP, which provides a mapping of specific actions and CBIs that will be impacted by those actions. Appendix C lists forty-two (42) planned actions and

identifies impacted CBI(s) by those actions, but none of these actions are anticipated to impact

the residential disconnection CBI.7 The Energy Project recommends this omission that should be

addressed by CEIP revisions, or as part of the Commission's review of the CEIP.

Another CBI that is not comprehensively discussed in the Specific Actions chapter is the

Energy Burden CBI. PacifiCorp has appropriately included a CBI for households experiencing

high energy burden and provides energy burden data in Chapter 2 (Tables 2.18, 2.19, and 2.21).

However, the only specific actions identified to have an impact on the Energy Burden CBI are

two of PacifiCorp's energy efficiency programs, the Residential Home Energy Savings Program

and the Low-Income Weatherization Program.<sup>8</sup> While energy efficiency programs should

certainly be part of an effort to reduce energy burden, TEP recommends that the CEIP should

include a more comprehensive approach that identifies other actions the Company plans to

undertake.

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Lastly, we described above the SAIDI, SAIFI and CAIDI data provided in the CEIP for

HIC and non-HIC. This data is proposed as a CBI for Energy Resiliency (and risk reduction and

energy benefit). Above we noted that severe weather events such as the windstorms in 2020, can

have a disproportionately harmful impact on customers in highly impacted communities.

<sup>7</sup> U-210829. PacifiCorp CEIP, Appendix C, December 30, 2021.

<sup>8</sup> U-210829. PacifiCorp CEIP, Appendix C, December 30, 2021.

Continuing to assess this data for both HICs and VPs could inform specific utility actions in the CEIP. However, there is no mention of any planned Company actions related to the "frequency and duration of energy outages" CBI in the Specific Actions chapter or in Appendix C. This is another omission that TEP recommends should be addressed by revisions to the CEIP or as part of the Commission's review of this CEIP.

### III. CONCLUSION

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The Energy Project appreciates the opportunity to share this feedback with the Commission, the Company, Staff, and other stakeholders. The Commission's CEIP rules create an expectation of significant consultation by the Company with its Advisory Groups, which would include the Low-Income and DSM Advisory Groups, in the development of the CEIP. Consistent with the rule, TEP recommends that the modifications to the CBIs and Specific Actions which TEP has submitted, including the Joint Advocate CBI recommendations, be included in the Final CEIP, either as a result of Company revisions to the filed CEIP, or through conditions adopted by the Commission. We look forward to continuing to work with PacifiCorp, Staff, and all stakeholders in the finalization of the plan and we are hopeful that the Company will engage more actively and meaningfully with all its stakeholder advisory groups as this effort moves forward.

TEP COMMENTS DOCKET UE-210829 Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110

(206) 669-8197