



**Re: Front and Centered Comments on PacifiCorp 2021 Draft Clean Energy Implementation Plan pursuant to WAC 480-100-640 (Docket UE-210829)**

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 Washington Utilities and Transportation Commission  
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Dear Amanda Maxwell,

Front and Centered is a coalition of organizations led by and serving communities of color in Washington. Our mission is to advocate for the interests of frontline communities, who are first and worst impacted by the climate crisis, in advocating for a just transition from an extractive to a regenerative economy. We have been following the implementation of the Clean Energy Transformation Act (CETA) and are offering these comments on PacifiCorp's Clean Energy Implementation Plan (CEIP) in support of an equitable transition to 100% clean energy in Washington and to encourage policies and practices that center the interests of impacted communities in decision-making.

**Summary**

PacifiCorp's CEIP details the utility's initial plans to provide fully carbon-free energy to Washington state consumers by 2045 and specifically covers the period from 2022-2025. While the CEIP demonstrates that PacifiCorp has done some work to include equity considerations in their transition plan, the proposed document still has some major areas for improvement before it should be approved by the Commission. As part of their planning, PacifiCorp has generated Customer Benefit Indicators (CBIs) to ensure this transition is equitable. Front and Centered is primarily concerned that the selected CBIs are minimalist in nature, lack definitional clarity, and generally do not meet the standards required by statute.

Even with the CBIs that have been selected, PacifiCorp’s CEIP does little to explain how the utility understands the CBIs to function and does not provide the necessary clarity for the public to meaningfully engage with the proposed indicators. While PacifiCorp has done a respectable job of including baseline data for the selected CBIs, Front and Centered urges the Commission to require the utility to develop its baseline data further to include the utility’s targets for improvement.

Finally, while PacifiCorp’s CEIP includes proposed specific actions that the utility will take to comply with the statutory requirements of CETA, PacifiCorp merely describes the interlinking of CBIs and specific actions in the abstract, without any of the forecasted effects on CBIs as required by statute. WAC 480-100-640(6)(b).

We recommend the following conditions be set by the UTC before approval of PacifiCorp’s CEIP:

1. Develop more CBIs, including those suggested by the Joint Advocates, to better comply with the legislative intent of CETA.
2. Include detailed proposed target results for CBI metrics for the utility as it moves forward in its equitable transition to clean energy.
3. Refine proposed CBIs to include a description about what they measure, why the company believes these indicators to be important to meet CETA goals, and how specific actions were selected to affect these indicators.

### **Key Issues in Equitable Distribution Measures in PacifiCorp CEIP**

#### **(1) Minimalist CBIs**

When passing CETA in 2019, Washington State Legislature mandated that specific focus should be given to making the transition to one hundred percent carbon-free electricity an equitable one, with special consideration given to “vulnerable populations” and “highly impacted communities.” RCW 19.404.040(8). As part of this equity mandate, the Legislature directed utilities to consider at least sixteen (16) different areas of public interest around which the utilities should shape their proposed transitions. The statutory elements are as follows:

1. Equitable distribution of energy benefits to vulnerable populations;
2. Equitable distribution of energy benefits to highly impacted communities;
3. Equitable distribution of non-energy benefits to vulnerable populations;
4. Equitable distribution of non-energy benefits to highly impacted communities;
5. Equitable reduction of burdens to vulnerable populations;

6. Equitable reduction of burdens to highly impacted communities;
7. Long-term public health benefits;
8. Short-term public health benefits;
9. Long-term reduction of costs and risks associated with public health;
10. Short-term reduction of costs and risks associated with public health;
11. Long-term environmental benefits;
12. Short-term environmental benefits;
13. Long-term reduction of costs and risks associated with environment;
14. Short-term reduction of costs and risks associated with environment;
15. Energy security; and
16. Energy resiliency

RCW 19.405.040(8).

To ensure that utilities are actively considering the equity mandate when developing their plans to transition energy sources to be carbon-free, the Commission requires each utility, in its CEIP, to include at least one or more CBIs for each of eight (8) different category areas: (1) energy benefits, (2) nonenergy benefits, (3) reduction of burdens, (4) public health, (5) environment, (6) reduction in cost, (7) energy security, and (8) resiliency. WAC 480-100-640(4).

The above-stated requirements from the UTC are simply base guidelines—they set a floor, but not a ceiling. Instead, the language of the rules explicitly leaves open the possibility of more than eight CBI areas.

As part of its CEIP, PacifiCorp included a table (Table 2.5) which detailed the prioritization of proposed CBIs based on a weighted score. The score was determined through a ranking done by PacifiCorp’s Equity Advisory Group (EAG). This data, in and of itself, is useful feedback from the EAG to PacifiCorp. However, the highest-ranking CBI is not the only CBI that could, or should, be chosen. As noted above, there is nothing limiting PacifiCorp to selecting only one CBI per category. For instance, why, when there is only a 0.3 difference in score, was only “Increase in renewable energy resources” selected as an environmental CBI, and not “Lower Greenhouse Gas emissions?” Surely both are goals that PacifiCorp strives to meet. Similarly, the same could be said of the two highest ranking proposed CBIs for Energy Resiliency/Risk Reduction, where the difference between the two was only 0.2—it is important both for PacifiCorp to reduce the frequency and duration of energy outages while simultaneously supporting customer programs related to community resiliency.

Front and Centered is also concerned with PacifiCorp's decision to only include a singular CBI that it claims touches on the categories of both energy resiliency and risk reduction ("Frequency and duration of energy outages"). Front and Centered interprets WAC 480-100-640(4) to call for a separate CBI for each listed category. While PacifiCorp has nine (9) listed CBIs to the eight (8) listed categories, this double counting should not be overlooked.

PacifiCorp must go beyond simply meeting the minimum required number of CBIs. While numerosity is not everything, providing more CBIs necessarily means more detailed analysis follows in the CEIP. For instance, drawing distinctions between vulnerable populations and highly impacted communities is especially important in helping utilities move forward in their planning for a clean and equitable energy transition. While there may often be overlap between the two groups, there are important distinctions as well. Vulnerable populations, as PacifiCorp notes in its CEIP, include those who face particularized challenges and may not reside within communities considered to be highly impacted communities. *See* PAC CEIP at 32-33.

Front and Centered appreciates PacifiCorp's attention to this detail in its presentation of baseline data in its CEIP. Tables 2.17, 2.19, and 2.21 demonstrate the importance of gathering data for both highly impacted communities and vulnerable populations to draw out the distinctive issues that each may be facing and provide the public with insight into how well a proposed action plan may result in substantive change. Nevertheless, there is a noticeable lack of separation of data for most of the rest of the document, both in baseline data presentation and in narrative format.

Further, drawing out distinctions between short-term and long-term public health and environmental benefits and costs will help PacifiCorp to both better plan for the immediate future and set longer-term goals. While Front and Centered recognizes that the CEIP is meant to be an intermediate-step focused document, Front and Centered also urges PacifiCorp to detail what its long-term environmental and public health goals are. Such detailing will aid both PacifiCorp and the public in determining which intermediate steps will be most effective in achieving long-term goals. Setting at least two distinct CBIs, one short-term and one long-term, will allow for a more wide-reaching and yet simultaneously targeted approach to an equitable transition. For example, given that PacifiCorp has proposed only a singular CBI that it ties to the environmental category, all 21 of PacifiCorp's supply-side specific actions only affect a singular CBI. This is a missed opportunity to add nuance to PacifiCorp's resource acquisition process: if PacifiCorp were to propose a greater number of environmentally focused CBIs, its acquisition proposals may change, with certain resources seeming more in line with proposed energy benefits than others.

Finally, as a note for future CEIP proposals from PacifiCorp, it is important to recognize that the reduction of burdens applies to all areas of analysis, and thus should be a major part of the CBI drafting process. The statute calls for the reduction of burdens with consideration to highly impacted communities and vulnerable populations, as well as an analysis of the ways a utility may reduce the costs of its actions on both public health and the environment. However, both the UTC WACs and PacifiCorp's Draft CEIP only consider reduction of burdens as a general category of CBI, rather than as an interwoven design throughout all other areas.

In light of the above reasoning, Front and Centered echoes The Energy Project's comments on this CEIP in recommending that PacifiCorp adopt the remaining Joint Advocate-proposed CBIs.

**(2) CBI presentation is confusing and lacks definitional clarity. Baseline data should include proposed targets.**

Organizing CBIs by benefit category, rather than ascribing multiple benefit categories to each CBI, would help ensure that readers can understand exactly where PacifiCorp is prioritizing its attention. Further, when describing their chosen CBIs, PacifiCorp's explanations often do not go beyond a simple restating of the CBI itself. The Commission should require, as a condition of approval, PacifiCorp to update its CEIP to provide a detailed analysis of each proposed CBI, including a brief summary of what each CBI will measure and why PacifiCorp believes that the CBI is important to CETA implementation.

For instance, on page 46 of the CEIP, PacifiCorp describes the purpose of their "Community-Focused Efforts and Investment" CBI as "focus[ing] investments so that communities more equitably receive benefits." They then describe the metrics that they will use to measure the CBI, though they never exactly state what they define as "efforts" nor "investments." In failing to describe the indicator itself, the utility also misses an opportunity to describe how the utility views the selected CBI to be important to the utility's compliance with CETA. Instead, the utility rationalizes their CBI selection by noting the preferences of the utility's Equity Advisory Group and public survey results. While these results are important and demonstrate the utility's engagement with the public in developing their CBIs, the utility should also demonstrate why the utility proposed the CBI in the first place.

Similarly, baseline data provides yet another opportunity for utilities to clarify their intent regarding the transition to clean energy. By providing clear baseline data, a utility is necessarily required to reflect on its current and historical actions, as well as reckon with its potential capacity for growth. Front and Centered applauds PacifiCorp for the level of detailed baseline data provided in its CEIP but notes that there is still room for improvement. For instance, Table 2.12 represents a headcount of staff that support program delivery in Washington that PacifiCorp has classified as diverse in some way. However, why is PacifiCorp limiting its analysis of its employees to only public-facing program delivery staff? PacifiCorp could easily analyze its internal diversity, equity, and inclusion efforts, including its hiring practices and job creation efforts. Front and Centered suggests that PacifiCorp include details such as the general availability of eligible diverse candidates in the hiring pool (i.e., workforce availability) and break down employee status (e.g., craft, non-craft, managerial, executive).

The Commission should require PacifiCorp to use its baseline data presentation as a location for setting soft goals for itself (i.e., target numbers). In doing so, PacifiCorp would be able to demonstrate how committed it is to its stated goals, as well as provide yet another point where both the UTC and the public can help to hold the utility accountable.

**(3) The lack of connection between proposed specific actions to CBIs also makes it difficult to analyze the efficacy of the actions proposed by PacifiCorp.**

Front and Centered believes that CBIs should, in part, be utilized by utilities to guide the choice of specific actions taken. As a result, CBIs must first be clear and detailed, both so that the utility can demonstrate an understanding of what is often an idea promoted by the utility's EAG. Further, by clearly articulating what exactly the CBI is, the utility will necessarily also include what its target goal is, and thus aid both the UTC and the public in holding the utility accountable.

Clear articulation of CBIs also allows for greater public input (and thus greater self-governance) by communities who would be affected by proposed specific actions. As part of an equitable transition to clean energy, Front and Centered believes that communities must be given the opportunity to meaningfully influence the decision-making of the utilities that provide them services. The only way that communities can effectively provide such feedback is through utilities providing clear statements of their intent.

In its CEIP, PacifiCorp describes in the abstract how it understands CBIs to interact with specific actions. See, e.g., PAC CEIP at 43-44. However, this abstract depiction is the most in-depth analysis that PacifiCorp provides. In discussion of the actual specific actions proposed, PacifiCorp notes that many of its supply-side specific actions were selected prior to the development of its CBIs and that because most of them are located outside of Washington State, CETA regulations (including CBI requirements) do not apply to them.

As Staff notes out in their comments on PacifiCorp's CEIP, there is no exclusion in either the statute or the administrative rules saying that CBIs apply only to Washington-based resources. Further, there is reason to question PacifiCorp's order of operations regarding Specific Actions and CBIs, i.e., whether PacifiCorp proposed specific actions and then post-hoc attributed effects on CBIs. As Staff notes, the proper order of operations is utilizing proposed CBIs to guide and shape the specific actions proposed, not the other way around.

This lack of analysis is amplified by the fact that for 21 proposed supply-side specific actions, PacifiCorp has determined that only one of its proposed CBIs will be affected. Further, the effects on named communities are "N/A" according to PacifiCorp. See PAC CEIP Appendix C. Alternatively, as The Energy Project notes in its comments on this CEIP, some CBIs proposed by the utility have no specific actions associated with them. How did the utility propose specific actions while completely ignoring CBIs that the utility itself proposed?

Again, as Staff notes in its comments on this proposed CEIP, PacifiCorp fails to comply with WAC 480-100-640(5)(a), which requires the utility to note for *each* specific action proposed: [t]he general location, if applicable, ... of each specific action or remaining resource need, including whether the resource will be located in highly impacted communities, will be governed by, serve, or otherwise benefit highly impacted communities or vulnerable populations in part or in whole...." PacifiCorp does not provide any of this information for its non-supply-side resources and specific actions.

Front and Centered is grateful for the opportunity to comment on this matter and looks forward to further opportunities to advance support robust processes to secure an equitable transition 100% clean electricity in Washington. Research and writing assistance has been provided by the Nico Wedekind, Diehl Clinical Fellow in Environmental Law, University of Washington Regulatory Environmental Law & Policy Clinic ([diehlfellow@uw.edu](mailto:diehlfellow@uw.edu)). Please contact us if you have any questions or would like to discuss any of our comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'MF', with a long horizontal flourish extending to the right.

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