Service Date: September 29, 2023



STATE OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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September 29, 2023

NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS (By 5 p.m. Wednesday, October 25, 2023

Re: Commission proceeding to develop a policy statement to address the application of equity and justice in Commission and regulated company processes and decisions,

Docket A-230217

TO ALL INTERESTED PERSONS:

Recent legislative changes require the Washington Utilities and Transportation Commission (Commission) to advance equity in regulation and modify the way the State of Washington conducts its business. These changes include:

- In 2019, Washington enacted the Clean Energy Transformation Act (CETA), which includes equity provisions that impact electric investor-owned utilities (IOUs) regulated by the Commission and requires the Commission to evaluate policies and actions related to IOU implementation of CETA's provisions.¹
- Washington's Office of Equity (OOE) was established in 2020. The OOE requires state agencies to include equity considerations in the execution of their delegated responsibilities and obligations.²
- In 2021, the legislature passed the Multiyear Rate Plan (MYRP) statute that, among other things, expanded the public interest standard to include equity as a consideration to the extent it affects the rates, services, and practices of electric and natural gas IOUs.³

¹ RCW 19.405.010 (6).

² RCW 43.06D.020.

³ RCW 80.28.425(1).

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 Also in 2021, Washington enacted the Healthy Environment for All (HEAL) Act to support environmental justice and address disparities among vulnerable populations and in overburdened communities.

- Washington also enacted the Climate Commitment Act (CCA) in 2021 to foster reduction in greenhouse gas emission., It requires equitable consideration of meaningful investments that benefit vulnerable populations from revenue raised by program.⁴
- And in 2022 the Governor's Office issued Executive Order (EO) 22-04, which requires agencies to implement Pro-Equity and Anti-Racism (PEAR) Strategic Plans.⁵⁶

The Commission has been working to implement all of these statutes and requirements. Some of the Commission's notable developments include:

- Adopting rules to require substantial public participating and consideration of equity as utilities develop plans to meet CETA clean energy goals.
- Evaluating electric utility clean energy and gas and electric integrated resource plans with an equity lens.
- The establishment of internal and external PEAR Teams.
- In the MYRP/Performance-based regulation docket, centering equity in addressing alternatives to traditional cost of service ratemaking, including performance measures or goals, targets, performance incentives, and penalty mechanisms.

Further, the Commission is seeking to incorporate an equity lens in all of its work and is requiring regulated companies to do the same.

As part of the Commission's equity work, the Commission has initiated the Equity Docket, A-230217. The Commission is seeking to gain insight from, and collaborate with, those impacted by Commission decisions, including historically marginalized groups, external partners, consumer advocates, and regulated companies; to develop guidance on implementing equity using an energy justice framework; to adapt the energy justice framework for application in the Transportation industries; to discuss the incorporation of equity into Commission decisions; to create equity action plans for the Commission and the companies it regulates; and to provide equity decision-making guidance for regulated companies. The conclusion of this proceeding will result in a policy statement and equity action plans. Ultimately this proceeding seeks to address institutional racism using the tenets of energy justice to center equity and justice in decision-making.

⁴ RCW 70A.65.230(1).

⁵ Executive Order (EO) 22-04.

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The table below defines energy justice concepts.

Table 1: Exploring the tenets of energy justice concept.⁷

Energy Justice Tenet	Definition	Policy Expectation
Procedural justice	Focuses on inclusive decision-making processes and seeks to ensure that proceedings are fair, equitable, and inclusive for participants, recognizing that marginalized and vulnerable populations have been excluded from decision-making processes historically.	 Given a place to speak and empowered to speak. Participant Funding Discuss how voices are considered and included in decision-making.
Distributional justice	Refers to the distribution of benefits and burdens across populations. This objective aims to ensure that marginalized and vulnerable populations do not receive an inordinate share of the burdens or are denied access to benefits.	 Increased benefits to named communities. Reduced burdens for named communities. Accounting for and measuring the impacts of company and Commission decisions on communities.
Recognition justice	Requires an understanding of historic and ongoing inequalities and inequities and prescribes efforts that seek to reconcile these inequalities and inequities.	 Recognizing past and present harms; where they occurred and who was harmed. Being ready and willing to correct those harms.
Restorative justice	Uses regulation or other interventions to disrupt and address distributional, recognitional, or procedural injustices, and to correct them through laws, rules, policies, orders, and practices.	 Identify possible actions. Take action to correct harms of injustices: i.e., legislation, policies, orders, etc.

The Commission will launch the equity proceeding by first exploring Procedural Justice, followed by Distributional Justice, Recognition Justice, and then Restorative Justice. The Commission estimates that this Docket will take about two years to complete.

⁷ See WUTC v. Cascade Natural Gas, Docket UG-210775, Order 09 (Aug. 23, 2022) ¶ 56.

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WRITTEN COMMENTS AND QUESTIONS FOR CONSIDERATIONS

The Commission provides notice that interested persons may file comments in this Docket by 5 p.m. on Wednesday October 25, 2023.

The Commission requests written comments in response to the following questions. Commentors are welcome to provide additional written comments, beyond these specific questions, detailing their interpretations of procedural justice and how it should be implemented.

- What Procedural Justice considerations would you like to see discussed?
- What element(s) of Procedural Justice is most important to you?

Pursuant to WAC 480-07-250(3), written comments must be submitted in electronic form, specifically in searchable .pdf format (Adobe Acrobat or comparable software). As provided in WAC 480-07-140(5), those comments must be submitted via the Commission's web portal at www.utc.wa.gov/e-filing. If you are unable to submit documents via the portal, you may submit your comments by email to the Commission's Records Center at records@utc.wa.gov or by mailing an electronic copy to the Commission's Records Center on a flash drive, DVD, or compact disc that includes the filed document(s). Comment submissions should include:

- The docket number of this proceeding (Docket A-230217).
- The commenting party's name.
- The title and date of the comment or comments.

The Commission will post on its website all comments that are provided in electronic format. The website is located at https://www.utc.wa.gov/casedocket/2021/210590.

If you are unable to file your comments electronically the Commission will accept a paper document by mail.

If you need translated materials, please contact records@utc.wa.gov or call (360) 664-1234.

STAY INFORMED OF THIS PROCEEDING

Information related to this proceeding, including comments filed by interested persons, will be posted on the Commission's website as it becomes available. Persons filing comments in response to this Notice will receive future communications the Commission issues in this Docket. If you do not file comments but wish to receive such information you may contact the Commission's Records Center by telephone at (360) 664-1139 or by email at records@utc.wa.gov and ask to be included on the mailing list for Docket A-230217.

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When contacting the Commission, please refer to Docket A-230217 to ensure that you are placed on the appropriate service list. The Commission's mailing address is:

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Executive Director and Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, WA 98504-7250

If you have questions regarding this workshop, you may contact Jimmy Nyanwapolu, U.S. Department of Energy Clean Energy Innovator Fellow, at jimmy.nyanwapolu@utc.wa.gov or (360) 742-2141

KATHY HUNTER

Acting Executive Director and Secretary