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State Of WASH  
UTIL. AND TRANSP  
COMMISSION

**RE: Dockets UE-191023 and UE-190698**

**Stronger Expectations For Meaningful Public Participation Needed In CEIP and IRP Rules**

These comments primarily relate to *WAC 480-100-630 Public participation in an integrated resource plan*, pages 26-28 in *Attachment B\_UE-190698 and UE-191023 2nd Discussion Draft of IRP and CEIP rules\_clean.pdf*, but also to *WAC 480-100-655 Public participation in a clean energy implementation plan (CEIP)*, pages 44-52.

I am a member of the public, a PSE rate-payer, and a person with dire concerns about the future of humanity. I submitted public comments on PSE's 2017 IRP, was a member of PSE's Technical Advisory Group for the aborted 2019 IRP, and am currently an active participant in PSE's 2021 IRP.

History reveals the need for meaningful oversight of power utilities. We have the classic, dramatic, and costly example of excessive confidence in nuclear power by the Washington Public Power Supply System (WPPSS or WHOOPS). More recently we have mistakes and bankruptcies by Pacific Gas and Electric Company in California. These industry disasters are similar to examples in the book: *Black Box Thinking: Why Most People Never Learn from Their Mistakes--But Some Do*, by Matthew Syed. The book discusses organizations so involved in pursuing what they think is right, that they overlook mistakes or actually use them to justify their actions and make no changes. It is difficult to believe that an intelligent human mind is capable of such irrational thinking, but it is. An industry with a culture that embraced change and learned from mistakes was aviation. Rather than blame people for accidents, they installed black boxes to record what went wrong, learned from every accident, and incorporated appropriate changes. This type of culture is currently the exception. We need to avoid the types of mistakes that come from "group think" and encourage learning from mistakes and using "black box thinking."

While we may not be able to require the adoption of "black box thinking" by our utilities, we can provide incentives for them to make more prudent decisions than they might make by listening only to themselves and people who run similar utilities and think like them. They need assistance to engage in "outside the box" thinking, and they need incentives to move in the right direction, particularly in our current climate crisis. To help utilities make unprecedented changes with unprecedented speed, the Washington State Legislature has stepped in to provide legislative requirements and meaningful checks on utility decision-making and to help our utilities move in the needed direction. One important component of this process is providing meaningful input from outside the utility itself. This comes from the UTC and the public. Both entities are essential for the process to work.

There are enormous changes and opportunities happening now that can have tremendous benefits for those in the utility industry. Typical utilities are not ideally equipped to learn of these on their own or to figure out how to integrate them seamlessly into their systems. Typical utilities, such as PSE, are fossil fuel dominant companies with cultures and biases in favor of fossil fuels; they are poorly positioned to integrate new resources efficiently, possibly leading to higher rates and/or stranded assets.

Public input is one essential way to bring their attention to new ideas, such as renewable hydrogen for power plants, and to remind them of not so new ideas that they have dismissed in the past, such as major energy-efficient retrofits in commercial buildings.

PSE (being used here as the example with which I am most familiar) has a history of ignoring sound technical advice from the public except when that input agrees with what PSE already wants to do.

PSE has a history of ignoring the intent of the UTC and the Legislature except when the intent agrees with what PSE wants to do. They will only do something that differs from their intent when laws and rules are written so they have no legal choice other than complying. A PSE employee told me their goal is to "thread the needle" on compliance, not to be concerned about intent. This is to be expected. The only way for the UTC to ensure that the process of public participation in utility planning functions properly is by ensuring that language in rulemaking is explicit, not implied.

Talented people have been providing free and invaluable technical input to our state's utilities through the process of public participation for many years. These people see many options that utilities should be considering; they have expertise the utilities lack. They deserve more than lip-service. If public input is ignored and does not result in needed changes at utilities in Washington state, utilities could inadvertently continue to put ratepayers, the economy of the NW, and the future of our climate at risk, and we are at risk of unnecessary WHOOPS-type disasters and loss of lives, as happened in wildfires caused by PGE.


PSE (again being used as an example) has improved their process of public participation in the 2021 IRP compared to the 2019 IRP. Some of their team have been trained through the International Association of Public Participation (IAPP or IAP2). They have incorporated the system and informed us of the level of public participation they are using for each topic they select for the public to discuss.

They have used three IAP2 levels:

**inform** ("provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions"), **consult** ("obtain public feedback on analysis, alternatives and/or decisions"), and **involve** ("work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered").

**IAP2 Spectrum of Public Participation**

IAP2 developed The Spectrum of Public Participation to help groups define the public's role in any public engagement process. The Spectrum is quickly becoming an international standard.

		INCREASING IMPACT ON THE DECISION 				
		INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL		To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
	PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

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For the 2021 IRP, PSE has selected the **inform** level for many topics. This level is appropriate for introducing people to a topic, but it is not remotely close to what the UTC should be expecting from a utility in terms of IAP2's goal or promise from **inform** for public involvement (see graphic, left). **Inform** is also not what I think is currently implied in the draft version of rulemaking.

PSE has selected the **inform** level of involvement for topics that have been controversial in the past (controversial in the sense that stakeholders had significant concerns that PSE was proceeding in inappropriate ways and PSE chose to dismiss the concerns) and for which PSE appeared to have little intention of considering public input, such as for methods to use the social cost of carbon or to calculate methane leakage. I submitted a comment and question to PSE about this on their feedback form (see attached: Feedback questions regarding the level of public participation PSE selected for Webinar 5). Their response to me on page 2 of their Social Cost of Carbon Feedback Report was:

Thank you for your comments. Concerning PSE's decision to present upstream emission as an "inform" level of public participation per IAP2, this is the appropriate level for an input to the 2021 IRP.

I believe this example demonstrates that utilities must not be the sole deciders of what level of public involvement is appropriate. To have members of the public put so much time and energy into participating in a utility's public process and to have the utility simply inform us of their potentially poor decisions is unacceptable and leads to unnecessary misunderstandings. This example also demonstrates how a utility can try to get around rules that are not clear.

The current UTC proposed rulemaking language clearly indicates that a utility must involve the public and must indicate how it involved the public. It also has a meaningful list of what information must be included on a utility's IRP website. However the rules say nothing about the minimum level of public participation expected or what is acceptable in response to public input. The rules simply hint at what is desired. The utility decides how much to involve the public and on what topics. Under the draft rules, telling the public they may participate by listening to a webinar with no opportunity for input is likely acceptable, but it should not be acceptable for meaningful public participation in an IRP.

Public participation on technical information in IRPs and CEIPs should be at higher levels than the IAP2 levels of *inform* and *consult*. The type of meaningful input and oversight needed in this process must be at least at the level they define as *involve*. I strongly implore the UTC to change the wording of the rules to require that IAP2 procedures be adopted and that the IAP2 level of *involve* be set as the minimum acceptable level for the IRP and CEIP. This would significantly improve communication regarding what is and is not acceptable.

I understand the reluctance of the UTC to adopt and require specific language from IAP2, but I also see a need for more clarity in minimum expectations. As an alternate proposal, I suggest the UTC adopt language indicating that a level comparable to the IAP2 level of *involve* or higher is expected. This inserts some flexibility for other interpretations, but clearly sets a minimum level for what is required. The current proposed language has no bottom floor. Another alternative is for the UTC to spend time crafting specific language on what they have in mind for the lowest acceptable level of public participation, but this would simply be recreating a wheel that the IAP2 has already spent years perfecting.

We are in the midst of a climate crisis. We do not have time to leave gaping holes in rulemaking language. Adopting one of the changes I am suggesting will help all parties understand minimum expectations; utilities and the public will not be left to guess what the intent of the legislature or the Commission is for acceptable public participation.

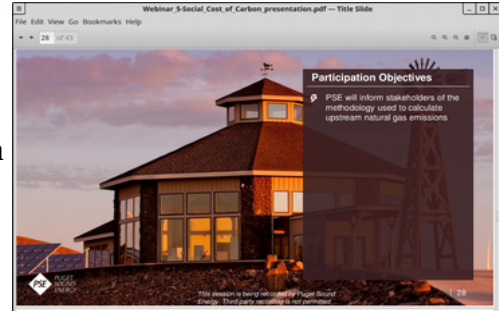
Thank-you for your time and consideration.

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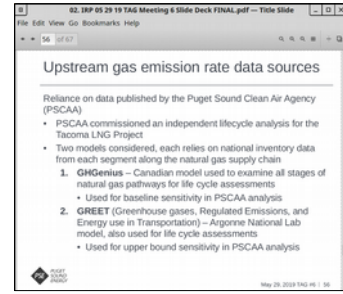
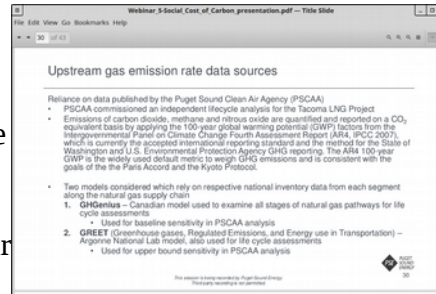
Attachment:

## Feedback questions regarding the level of public participation PSE selected for Webinar 5

For the section of Webinar 5 on upstream natural gas emissions methodology, PSE chose the lowest level of public participation possible: **"inform"** only (Webinar 5, Slide 28).



During Webinar 5, PSE informed us they would use the same emissions methodology (Webinar 5, Slide 30) they had proposed during the 2019 IRP process (TAG 6, Slide 56). In fact, all but one slide used for presenting this information for the 2019 IRP were the same as those in the 2021 IRP, so many stakeholders present at the 2021 IRP webinar were already informed of the proposed method.



During the 2019 IRP process, lively discussion ensued when PSE's proposed method was presented (TAG 6, Final notes, pg 13), so in addition to knowing that most stakeholders were already informed about the method, PSE should have known that stakeholders would be expecting to participate at a level higher than "inform."

Is this the first time in the 2021 IRP process that PSE has used a level of "inform" only? If it was used for a previous topic, why was it deemed appropriate for that topic? Also, why did PSE decide to go with "inform" only for this topic?

Thank-you for your attention to these questions.

Virginia Lohr  
Vashon Climate Action Group  
July 25, 2020

**IRP-TAG-Meeting-6\_Meeting-Notes-FINAL.pdf**

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### Upstream gas emission methodology

Keith Faretta, PSE Senior Resource Scientist, presented on upstream gas emission methodology. Keith reviewed the data previously presented at TAG #2 on October 11, 2018, reviewed the upstream gas emission rate scope, provided new information to supplement the derivation of the upstream rate, and explained how the emission rate will be applied in the 2019 IRP. For details, see the *Upstream natural gas emission methodology* presentation as distributed in the meeting packet (available on slides 52 through 60 of the meeting materials posted to [www.pse.com/irp](http://www.pse.com/irp)). TAG members asked questions and discussed various topics throughout the presentation.

Doug Howell asked if PSE knows what percentage of gas delivered never makes it to the consumer because it is leaked upstream. Bill Donahue, PSE Manager of Natural Gas Resources, responded the numbers shown in the presentation slides include all GHGs from extraction through delivery, including combustion emissions released through compressors, converted to CO<sub>2</sub>. Fred Heutte asked if he could find the emissions factors PSE used by going to the Puget Sound Clean Air Agency (PSCAA) report. Keith responded the PSCAA has gas lifecycle spreadsheets available on their website for download and that all of the factors are available in that documentation.

Bill Western noted the PSCAA valued methane as 25x more potent of a GHG than CO<sub>2</sub> and expressed concern this equivalency is lower than more recent estimates of methane's equivalency to CO<sub>2</sub> and would underestimate the impact of methane leakage in the atmosphere. Doug agreed, noting the PSCAA used the equivalency factor published in the Fourth Assessment Report (AR4) by Intergovernmental Panel on Climate Change (IPCC). AR4 estimated the equivalency at 25x CO<sub>2</sub>, while the Fifth Assessment Report (AR5) estimates the equivalency of methane at 30x CO<sub>2</sub>. Doug requested PSE's support in using the most recent science in their calculations to ensure the impact of methane leakage is not underestimated.

Doug Howell also expressed concern the analysis assumes all PSE natural gas being sourced from British Columbia (BC), when the use of BC gas pushes other buyers of natural gas to other sources in the western portion of North America. Doug proposed an assumption of western regional sourcing would provide a more accurate estimate of GHG.

Fred Heutte shared he appreciated the lifecycle approach PSE was using for determining emission rates but noted more work may need to be done in the future on CO<sub>2</sub> equivalence factors and gas sourcing. Fred agreed with PSE's approach to use the PSCAA report for the time being because it is a report from a state agency, but this will need to evolve to get a more accurate understanding of methane impacts. Doug Howell expressed hope that PSE will support a rigorous public process in rulemaking to determine emissions factors.

Rob Briggs expressed frustration TAG members had not yet received two pieces of information requested at TAG #2: the global warming potential factor PSE is using, and the percentage of leakage of methane as a percentage of methane delivered. Rob noted these numbers were requested so they can be compared to the Science Magazine study released on natural gas impacts on climate change. Keith explained the global warming potential factor used was the factor from AR4, meaning TAG members could use AR4 and the numbers provided in the upstream presentation materials to calculate the leakage of methane as a percentage of methane delivered. Keith also offered to provide a link to the PSCAA lifecycle spreadsheets mentioned earlier in the presentation. *Update since meeting: the links and other references are provided in the meeting notes as Appendix A. This will also be posted on [www.pse.com/irp](http://www.pse.com/irp) under "action items."*

Virginia Lohr expressed frustration that TAG members were being asked to calculate numbers the TAG requested at TAG #2. Keith asked for clarity on the percentage being asked for, and Virginia specified they would like the amount of methane leaked through the entire natural gas process as a percentage of methane delivered. Bill Donahue offered to work with Keith and members of the Vashon Climate Action Group to develop the percentage requested so Virginia could compare PSE's leakage rate with the scientific literature she mentioned.

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