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**Comments on Second Draft
Clean Energy Implementation Plans (Docket # 191023) and
Integrated Resource Plan (Docket # 190698)
February 28, 2020**

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COMMISSION

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The Sierra Club appreciates the opportunity to comment on the rulemakings for the Clean Energy Implementation Plan (CEIP) and the Integrated Resource Plan (IRP).

Integrated Resource Plan (IRP) / Clean Energy Implementation Plan (CEIP)

Cycles for reports, hearings and reviews

- Sierra Club recommends that the IRP occur every two years and not every four years. We further recommend that the UTC should hold hearings on the draft IRP and the final IRP. Any changes in draft IRP need to be reviewed before a final IRP. This two-year cycle provides a critical oversight mechanism now that the IRP becomes the baseline upon which compliance with the new Clean Energy Transformation Act (CETA) is achieved and implementation of the CEIP is assured.
- We understand that the UTC may not agree with this recommendation. If the UTC does not return to a two-year cycle for the IRPs, then we recommend one oversight hearing on the interim two-year draft report for the four-year IRP. We cannot afford to have a four year lapse in time without greater public accountability and UTC oversight.
- For the CEIP, we recommend a hearing on the draft CEIP and the final CEIP. This is critical since the CEIP will be the binding plans upon which the near-term 2030 and long-term 2045 mandates will be met.
- CEIP draft should be released two months after the final IRP

Establishing the baseline in the IRP

- Sierra Club remains concerned that costs and projects that would normally go into the IRP may be re-categorized as new “cost of compliance” measures in the CEIP. We fully expect expansions of energy efficiency (EE), demand response (DR), renewable energy (RE) and storage improvements that would have happened without CETA therefore should be in the IRP baseline. These expansions are not cost of compliance in the CEIP.
- IRP needs to incorporate Washington State GHG emissions reduction timelines as well as city and county climate goals

- IRP and CEIP needs to incorporate a transparent and full accounting of upstream methane resources for any new or existing gas resources. The SCGHG also needs to be applied to these upstream methane emissions.

UTC review of IRP must show:

- How IRP informs CEIP
- Where there are gaps in analysis or concerns
- How the business-as-usual base case for the IRP should include improvements EE, DR, RE and storage that should not be part of the cost of compliance in CEIP
- Any questions in the IRP acknowledgment must be fully addressed in following IRP or that following IRP is “not acknowledged”

Social Cost of GHG (SCGHG)

- Include SCGHG in IRP baseline
- Treat as “variable cost” not “fixed cost”
- Treat as “environmental externality” not “carbon tax” because this cost is not paid by customers. This means SCGHG should be included in dispatch modeling to show the effect on plans. This *modeling* in dispatch is not a tax paid by customers.
- This SCGHG rule is too important to do hastily. It has broader implications of use of this vital tool beyond electricity. The big differences need to be resolved before any rule is finalized.

Public Participation

- For the International Association of Public Participation (IAPP) – utilities must improve the standard of public engagement from “consult” to “involve”
- IRP work plans must identify how utilities will incorporate public inputs
- Too often utilities dismiss public inputs with “thanks for your comment” and don’t act on the requests of their customers. Rules should require utilities to clearly define, in their work plans, the approach the utility will use to achieve consensus on incorporation of public inputs into utility resource plans.
- The IRP must document why advisory group members recommendations are not incorporated
 - Public participation is important, and public input must be heard. Please make sure CETA rules require utilities to communicate clearly to the public in writing any time their inputs have not been incorporated, both in the IRP and CEIP.
- Provide data disclosure of modeling inputs and load forecast. Non-disclosure agreements are available as needed. This full disclosure is happening in other states.

Sierra Club supports and endorses the specific recommendations in the redline below to the proposed rules that are being jointly submitted by Vashon Climate Action Group, Act 4 Climate and Elyette Weinstein.

WAC 480-100-630 Public participation in an integrated resource plan

(IRP).

A utility's consultations with commission staff and public participation are essential to the development of an effective integrated resource plan (IRP) and two-year progress report. The utility must inform, consult and involve stakeholders, as defined by the International Association for Public Participation (IAP2), ~~demonstrate and document how it considered public input~~ in the development of its IRP and two-year progress report ~~as well as demonstrate and document how it considered public input through the advisory group process and other public participation.~~ Examples of how a utility ~~may~~ must incorporate public input include: using modeling scenarios, sensitivities, and assumptions stakeholders proposed; indicating whether and how the utility used public input; and communicating to stakeholders about how the utility used public input in its analysis and decision-making, including explanations for why any public input was not used. All demonstrations,

documentation, explanations and examples must be supported by sufficient credible data, as determined by the Commission.

(1) The utility must consult with stakeholders in advance of developing the timing and extent of meaningful and inclusive public participation identified in work plans for IRPs and two-year progress reports. As part of its work plans, the utility must provide a link to its website which must be accessible to the public. The website must be updated in a timely manner and contain the following information:

(a) Video archives of all videoconferences, and related chat-box comments. Meeting summaries and materials for advisory group meetings, including materials for future meetings;

(b) A current schedule of advisory group meetings and significant topics to be covered, actively updated by the company, with meeting materials made available and changes highlighted;

(c) Information on how the public may participate in advisory group meetings; and

(d) Public comments received to date, including responses communicating how input was considered or used.

(2) The utility must make available completed presentation materials for each advisory group meeting at least five (5) business days prior to the meeting.

(3) The commission will hear comment on the draft IRP at a public hearing scheduled after the utility files its draft IRP. The commission will accept comments in electronic and any other available formats, as outlined in the commission's notice for public meeting and opportunity to comment.

(4) The commission will hear comment on the final IRP at a public hearing scheduled after the utility files its final IRP. The commission will accept comments in electronic and any other available formats, as outlined in the commission's notice for public meeting and opportunity to comment. (If the UTC is unable to

conduct a FINAL IRP Hearing, the UTC should still require utilities to accept and respond to, on the utility website, public inputs and advisory group technical inputs on the FINAL IRP, fully explaining any rationale the utility used in the event any of these inputs are not included in the FINAL IRP analyses or document.)

(5) The utility must file with the commission completed presentation materials at least five (5) business days prior to the public meeting.

(6) The utility must make all of its data inputs and files available in native file format and in an easily accessible format. Non-confidential contents of the IRP, two-year progress report, and supporting documentation must be available for public review.

Utilities may make confidential information available by providing it to the commission pursuant to WAC 480-07-160. Utilities ~~should~~ must minimize their designation of information in the IRP as confidential. Such designation is subject to determination by the

commission. Nothing in this subsection limits the protection of records containing commercial information under RCW 80.04.095.

WAC 480-100-655 Public participation in a clean energy implementation plan (CEIP).

A utility's consultations with commission staff and public participation are essential to the development of an effective CEIP, biennial update, and compliance reports. The utility must demonstrate and document how it considered public input in the development of its CEIP, biennial update, and compliance reports through the advisory group process and other public participation. Examples of how a utility may incorporate public input include: using modeling scenarios, sensitivities, and assumptions stakeholders proposed; indicating whether and how the utility used public input; and communicating to stakeholders about how the utility used public input in its analysis and decision-

making, including explanations for why any public input was not used. All demonstrations, documentation, explanations and examples must be supported by sufficient credible data, as determined by the Commission.

(1) **Advisory groups.** The utility must involve all relevant advisory groups in the development of its CEIP, its biennial update, and compliance reports, including established low-income, conservation, and resource planning advisory groups. The utility must also create and engage an advisory group as part of the process of ensuring the equitable distribution of energy and non-energy benefits and reduction of burdens to vulnerable populations and highly impacted communities as required in WAC 480-100-610(4)(c)(i), as outlined in subsection (2) of this section.

(a) The utility must convene advisory groups at regular meetings open to the public during the planning process. A utility must notify advisory groups of company and commission public meetings

scheduled to address its CEIP, biennial update, and compliance reports.

(b) The utility must document public input gathered through advisory group meetings and other channels and demonstrate how the utility considered the public input. To the extent public input was considered but not incorporated into the final plan, the utility ~~should~~ must document and demonstrate how the public input was considered in the process, including explanations for why any public input was not used..

(c) Engaging with conservation, resource planning, low-income, and other advisory groups for the purposes of developing the CEIP does not relieve the utility of the obligation to continue to convene and engage these groups for their individual topical duties. This section does not supersede existing rules related to those groups.

(d) Nothing in this section limits utilities from convening and engaging public advisory groups on other topics, such as a distributed energy resources advisory group, necessary for the

development or implementation of a CEIP, its biennial update, and compliance report.

(e) Participation in an advisory group does not restrict groups and individuals from commenting on CEIP filings before the commission.

(2) **Equity advisory group.** A utility must maintain and engage an external equity advisory group of stakeholders to advise the utility on equity issues including, but not limited to, vulnerable population designation, equity indicator development, data support and development, and recommended approaches for the utility's compliance with WAC 480-100-610(4)(c)(i).

(a) The utility must encourage and include the participation of environmental justice and public health advocates, tribes, and representatives from highly impacted communities and vulnerable populations in addition to other relevant groups.

(b) A utility must meet regularly with its equity advisory group during the CEIP development and implementation. A utility must

provide reasonable advance notice of all equity advisory group meetings.

(3) **Presentation materials available.** The utility must make available completed presentation materials for each advisory group meeting discussing the CEIP at least five (5) business days prior to the meeting pursuant to subsection (5)(g)(i) of this section.

(4) **Draft CEIP for review.** The utility must provide a draft of its CEIP to its advisory groups and available to the public for comment two (2) months before it files the CEIP with the commission. At a minimum, the draft CEIP must include all the elements required under WAC 480-100-640 and to the extent practicable all appendices and attachments.

(5) **Participation plan and education.** The utility must involve stakeholders, as defined by the IAP2, in developing the timing and extent of meaningful and inclusive public participation throughout the development and duration of the CEIP, including outreach and education serving vulnerable populations and highly impacted

communities. On or before March 1 of each odd-numbered year, a utility must file with the commission a participation plan that outlines its schedule, methods, and goals for public participation both during the development of its CEIP and throughout the implementation of the plan. The utility must include the following in its participation plan:

(a) Timing, methods, and language considerations for seeking and considering input from:

(i) vulnerable populations and highly impacted communities for the creation of or updates to indicators and weighting factors for the utility's compliance with WAC 480-100-610(4)(c)(i); and

(ii) all customers, including vulnerable populations and highly impacted communities, for the creation of or updates to indicators and weighting factors for the utility's compliance with WAC 480-100-610(4)(c)(ii) and (iii);

(b) Identification of barriers to public participation, including but not limited to language, cultural, economic, or other factors, and strategies for reducing barriers to public participation;

(c) A proposed schedule of formal and informal public meetings or engagement, including advisory group meetings;

(d) A list of significant topics that will be discussed;

(e) Plans to provide information and data in broadly understood terms through meaningful participant education;

(f) The date the utility will share the draft CEIP with advisory groups;

(g) The date the utility will file the final CEIP with the commission; and

(h) A link to a website accessible to the public and managed by the utility, to which the utility posts and makes publicly available the following information:

(i) Video archives of all videoconferences, and related chat-box comments. Meeting summaries and materials for advisory group

~~meetings, including materials for future meetings; meeting~~

~~summaries and materials for all relevant meetings, including~~

~~materials for future meetings;~~

(ii) a current schedule of advisory group meetings and significant topics to be covered, and links to register for the meeting;

(iii) information on how the public may participate in CEIP development, including advisory group meetings; and

(iv) final plans, biennial updates, and compliance reports, posted within 30 days of final commission action.

(6) **Public comment summary.** As part of the filing of its CEIP with the commission, a utility must provide a summary of public comments received during the development of its CEIP and the utility's responses, including whether issues raised in the comments were addressed and incorporated into the final CEIP, and documenting the reasons for rejecting public input. The summary must include a final, holistic review of the CEIP by the utility's equity advisory

group. The utility must include the summary and equity group review document as an appendix to the final CEIP.

(7) **Customer notices.** Within ~~10~~ five (5) business days of filing the utility's CEIP, the utility must send notices to customers informing them of Chapter 19.405 RCW, briefly summarizing the utility's CEIP, including a web link that navigates to the full CEIP, and informing customers of how they may comment on the utility's filing. The notice must include:

(a) The date the notice is issued;

(b) The utility's name and address;

(c) A statement that the commission has the authority to approve the CEIP, with or without conditions, or reject the CEIP;

(d) A description of how customers may contact the utility if they have specific questions or need additional information about the CEIP; and

(e) Public involvement language pursuant to WAC 480-100-194(4)(j).

(8) **Review of customer notices.** The utility must submit to the commission for review a copy of customer notices five (5) business days before the utility finalizes notices to send to customers.

(9) **Availability of data.** The utility must make all of its data inputs and files available in native file format and in an easily accessible format. Non-confidential contents of the CEIP, biennial update, and compliance reports, and supporting documentation must be available for public review. Utilities may make confidential information available by providing it to the commission pursuant to WAC 480-07-160. Utilities should minimize their designation of information in the CEIP as confidential. Nothing in this subsection limits the protection of records containing commercial information under RCW 80.04.095.

WAC 480-100-625 Integrated Resource Plan Timing.

Unless otherwise ordered by the commission, each electric utility must file an integrated resource plan (IRP) with the commission by January 1, 2025, and every ~~four~~ two years thereafter.

(1) IRP work plan. Not later than fifteen months prior to the due date of its IRP, the utility must file a work plan that includes advisory group input and outlines the content of the IRP and expectations for the subsequent two-year progress report. The utility must include the following in its work plan:

(a) The methods for assessing potential resources;

(b) The due date and proposed schedule for completing its conservation potential assessment, as outlined in WAC 480-109-100(2), and its demand response potential assessment, both of which will serve as inputs to the integrated resource plan;

(c) A proposed schedule of meetings for the utility's resource planning advisory group and equity advisory group, as established in WAC 480-100-655(2), for the IRP;

(d) A list of significant topics, consistent with WAC 480-

100-620, that will be discussed at each advisory group meeting for the IRP;

(e) The date the draft IRP will be filed with the commission;

(f) The date the final IRP will be filed; and

(g) A link to a website accessible to the public and managed by the utility, to which the utility posts and makes publicly available the information identified in WAC 480-100-630(1).

(h) The proposed method the utility will use to evaluate advisory group technical inputs, including the approach used to achieve consensus on incorporation of advisory group technical inputs in the integrated resource plan analyses.

Sierra Club also supports and endorses the specific recommendations below proposed by Front & Centered.

Re: Relating to Compliance with the Clean Energy Transformation Act, the Clean Energy Implementation Plan (Docket UE-191023) and Integrated Resource Planning (Docket UE-190698)

Mark Johnson, Executive Director/Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Dear Mark L. Johnson,

Thank you for the opportunity to submit comments and answer questions on the direction of the rulemaking for the Purchase of Electricity, Docket UE-190837.

Front and Centered is a statewide coalition of organizations across the state that are rooted in communities of color and with lower incomes. Together we are committed to equity and ensuring climate and environmental justice. Communities of color and people with lower incomes are hit first and worse by extraction, pollution, and climate change, which exacerbates existing health and economic disparities. These frontline communities are often left out of, or are the last to be included in, the transition to a healthy, resilient, and sustainable future.

We appreciate the opportunity to submit comments on this docket and UTC's work to ensure robust and full consideration of the Clean Energy Transformation Act's (CETA) equity mandate in RCW 19.405.040(8). Because communities of color and lower income communities are disproportionately impacted by pollution, CETA would ensure clean, healthy and thriving neighborhoods, as well as broadly shared economic benefits of a clean energy transition.

In further rulemaking in the Purchase of Electricity Docket 190837, Front and Centered recommends that the Commission continue to affirm the importance of the equitable distribution of benefits in the transition to 100% clean energy by directing utilities to acquire resources through a transparent and accessible bidding process that aligns with ensuring everyone benefits and the equitable distribution of benefits. The new rules should reinforce CETA's standards while ensuring that the energy sector adopt more rigorous processes and content for contracting and purchasing. More opportunities for partnering with utilities to electrify Washington communities will promote innovation, build capacity and support diverse participation in the sector. The Commission's rules on this docket should strengthen the connection between purchasing rules and the equity standard and the opportunities for vendors controlled by and benefiting vulnerable populations and based in highly impacted communities to engage in energy services to ensure resource adequacy, efficiency and resiliency on the supply side.

Front and Centered reiterates the importance of equity in all aspects of energy planning. For purposes of CETA rulemaking the Commission may refer to a broader equity framework centering equity in decisions related to purchase of electricity.

I.FC Supports Prioritizing Energy Equity in CETA Implementation

FC is committed to centering equity in the development and implementation of climate policies to neutralize burdens and generate beneficial outcomes for historically disproportionately impacted communities.

CETA requires that the 100% clean energy standard be achieved in such a way that there is an equitable distribution of benefits and reduction of burdens with particular concern for HICs and VPs. The Commission's second rules draft for the IRP and CEIP dockets addresses the CETA equity mandate in (1) the data assessments that IOUs are required to establish a baseline for measuring the change in equity conditions, (2) the opportunity for public participation in the IRP and CEIP planning process, (3) the targets that IOUs must establish to achieve equitable distribution of benefits and burdens, the (4) specific

actions that IOUs will take to reach those targets within the established timeframes, and (5) IOU reporting on compliance. Equity advisory boards inform IOU decision-making on equity actions, but it is through the CEIP requirements and Commission oversight that IOUs are held accountable for their compliance commitments to the equity mandate.

FC comments here on the draft rules in support of clear prescriptions and robust enforcement of the rule provisions such that every action taken by an IOU to comply with CETA is informed by understanding and concern for the equitable distribution of related benefits and burdens and the empowerment of highly impacted communities and vulnerable populations.

II. The CETA Rules Provide Clear Equity Protections

A. Definitions

Mitigate Disparities - just transition through targeted reduction

Definition: "Equitable distribution" means a fair and just, but not necessarily equal, allocation of benefits and burdens to ~~mitigate~~ **reduce** disparities in current conditions, including legacy and cumulative conditions.

The definition of Equitable Distribution affirms overall the tenet of equity based in restorative justice, but the purpose/intent language of 'mitigating disparities' is insufficient to provide equity. Clearly stating "reduce" rather than "mitigate" will ensure a measurable and causal directionality of required results from compliance actions. Mitigation language suggests that transition agents are passive in the conditions of disparity that are assessed, whereas reduction language promotes an active, positive role for utilities that clearly seeks to achieve equity.

Community - local and DOH neighborhood designations

Definition: "Highly impacted community" means a community designated by the department of health based on the cumulative impact analysis required by RCW 19.405.140 or a community located in census tracts that are fully or partially on "Indian country," as defined in 18 U.S.C. Sec. 1151.

The HIC definition adequately designates the origin point of geosocial parameters for applying a restorative justice intent to compliance actions, being the DOH-produced CIA. The definition may further be refined to describe the types of impacts outside of the health sphere which relate to qualities of security and well being, and to allow for an expanded understanding of community. A 10-ranked HIC in Walla Walla will look different from a 10 in Tacoma - the population, the concentration of harmful impacts, and the energy systems. To make appropriate decisions about the short and long term, fixed and transient energy equity inputs in particular neighborhoods, utility stakeholders must consider the localized conceptions of 'community' in addition to the CIA ranking of census tracks.

Tracking Distribution

Definition: "Indicator" means an attribute, either quantitative or qualitative, of **a condition**, resources or related distribution investments **that is tracked for the purpose of evaluating change over time**.

The definition of indicator supports the broad scope of equity conditions and the change in marked disparities in the distribution of benefits and burdens may be noted and reported through both quantitative and qualitative mechanisms. The definition must support application of compliance actions to ensure that the equitability of distribution is comprehensively tracked, from baseline conditions, to inputs and outputs, to real outcomes for the target communities and customers. FC proposes that the UTC add language to include an outcome-oriented approach to the full arc of distribution tracking.

Vulnerability - target populations for directing equity benefits

Definition "Vulnerable populations" means communities that experience a disproportionate cumulative risk from environmental burdens due to: Adverse socioeconomic factors, including unemployment, high housing and transportation costs relative to income, access to food and health care, and linguistic isolation; and sensitivity factors, such as low birth weight and higher rates of hospitalization.

Front and Centered is in favor of linking the definition of Vulnerable Populations used for purposes of equitable distribution of benefits directly to the DOH definition. The adverse socioeconomic and sensitivity factors in the current definition may describe both demographic features of the target populations that are fixed in time and condition (age, race, linguistic isolation, unchangeable health characteristic like low birth weight), as well as factors that are pegged to overarching externalities and thus changeable, though largely outside of the control of the affected individuals, households, or populations.

In order to direct clean energy transition benefits equitably, utility stakeholders must draw from a definition of vulnerability that distinguishes fixed from dependent characteristics, and factors in that difference in how outcomes are tracked. FC concern is that the overlap between the features of a population that indicate disparate impacts (e.g. highest rankings for health conditions) not be equated to the characteristics of a population that overlap with these equity concerns, which can lead to an oversimplified and even circular rectification approach.

In implementing CETA's equity mandate, utilities must consider the distribution of benefits and reduction of burdens for vulnerable populations within highly impacted communities.

B. Standards

Equitable Distribution of Benefits for All Customers, centering HICs and VPs

WAC 480-100-610(4): Electricity must be from 100% non-emitting and renewable sources within the law's timeframe and compliance occurs in such a way as to "(c) ensure that all customers are benefiting from the transition to clean energy through:

- (i) The equitable distribution of energy and nonenergy benefits and reduction of burdens to vulnerable populations and highly impacted communities;
- (ii) Long-term and short-term public health and environmental benefits and reduction of costs and risks; and
- (iii) Energy security and resiliency."

By separating out equitable distribution of benefits and reduction of burdens to HICs and VPs from the transition benefits that utilities must ensure for all customers, there is an apparent limitation of the areas

of intervention specific to the restorative justice element of energy equity. Equity must apply to decisions that impact all customers, and particularly to all actions as they create or exacerbate harmful inequity in the spheres of health, the environment, energy security and resilience.

C. IRP

IRP Assessments

FC appreciates the WAC 480-100-620 requirement that IRP assessments of distributed energy resources (3) “incorporate non-energy costs and benefits not fully valued elsewhere within any integrated resource plan model,” to capture non-energy benefits not assessed in (8) the assessment of Economic, health, and environmental burdens and benefits informed by the DOH CIA. The rule also sufficiently establishes the priority of equity considerations in requiring a (10) narrative explanation of portfolio decisions for long range IRP solutions as relates to (h-g) “the long-term strategy and interim steps for mitigating disparities in benefits and burdens for highly impacted communities and vulnerable populations and the estimated degree to which such disparities will be mitigated over the planning horizon; assesses the environmental health impacts to highly impacted communities”, and the (11) CEAP demonstration of how the utility will take specific actions to mitigate disparities and to what degree. As discussed already, the “mitigating disparities” language may be reconsidered to make clear that absolute reduction of named disparities is the ultimate marker of the meaningful advancement of CETA’s equity interest.

Public Participation in IRPlanning

FC supports the public participation requirements in the IRP rules, including the WAC 480-100-620(16) rule that utilities summarize public comments and how the issues raised therein were incorporated, or not, in the IRP. The required summaries provide some transparency around utility decision-making and the degree to which public input is seriously taken into account rather than given a forum for expression and disregarded in the actual planning.

The rules around public participation in 480-100-630 may be strengthened to require explanations of how utilities considered each input (1) on its merits, and (2) independently of cost concerns. The rule explicitly allows for a utility to satisfy the requirement to consider public input by ‘explaining why public input was not used’. This may lead to a form response repeatedly fronted for rejecting any and all public comments, be they through advisory group meetings or other forms.

C. CEIP

Specific actions - 5 indicator categories for CETA transformation benefits

FC supports the requirement for utilities to include in their CEIPs specific actions towards meeting the clean energy implementation standards. Indicators are an appropriate mechanism for utilities to employ to identify the areas of concern, set a baseline, and demonstrate compliance progress. A more detailed and expansive menu of indicator areas and metrics is needed in the rules to provide structure. Recognizing that each community will vary, there is a need for the UTC to ensure that there is consistency in how utilities adopt selection, tracking, progress processes for measuring equitable distribution compliance.

With consideration of the wording and intent of the law, the required indicator category list may be expanded to:

- Health and safety
- Economic participation
- Resiliency
- Energy security
- Environment
- Governance participation.

These indicator areas provide a basis for tracking a utility's success in equitable distribution of benefits in each of these areas. FC proposes that the rules require utilities to select indicators that align with the most severe impacts on the equity condition of target HICs and VPs.

Identifying HICs and VPs

FC agrees that, as CETA and these rules note, the CIA or existing Environmental Health Disparities Map is currently the best tool to use in identifying census tracts with the highest concentrations of highly impacted neighborhoods, and the rules clearly provide that framework for using it. As the CIA is and continues to be updated to provide the most recent data on HICs, there should be an additional mechanism to support qualitative inputs into identification of HICs that are the most highly impacted and to an absolute, rather than just relative degree, in an insecure or at risk position for harmful impacts that can be foreseen although they might not yet manifest in census data which is time and method limited.

FC also considers the rules around identification of VPs to be helpful towards ensuring utility stakeholders use and follow the outputs of the advisory group process. The rules may provide more contextual guidance for this process, including describing more types of VP factors and how advisory groups may utilize additional quantitative and qualitative inputs from demographic data, surveys, local assessments, appropriately collected customer information, and knowledge around the nature of socioeconomic and sensitivity factors that are being considered.

The rules around identifying HICs and VPs may better clarify where utilities should be assessing impacts on HICs and VPs - including beyond their service territory, insofar as the impacts of their decisions and action often extend beyond those borders (e.g. HICs directly affected at the point of origin of an energy resource, even out-of-state).

Assessing impacts on HICs and VPs

FC considers absolutely critical the rules requiring an assessment of the benefits and burdens of specific actions in the CEIP by location and population, descriptions of how HICs and VPs are affected, and an explanation of how the utility intends to mitigate risks to them. In addition to providing clarity around how the utility intends to comply with CETA's equity mandate and supporting the advancement of equity through restorative justice, the advance assessment of specific actions will support better planning for outcome-oriented operations and greater accountability.

Public Participation

It is crucial that the public have the opportunity to comment on the CEIP process and that the comments are thoughtfully considered and incorporated in the final plan.

WAC 480-100-655 ... Examples of how a utility may incorporate public input include: using modeling scenarios, sensitivities, and assumptions stakeholders proposed; indicating whether and how the utility used public input; and communicating to stakeholders about how the utility used public input in its analysis and decision-making, including explanations for why any public input was not used.

Accountability for equity-impacting decisions and actions

The rules support the opportunity for meaningful participation in holding utilities accountable for the quality of their targets and actions, including through the Clean Energy Compliance Report. The Commission CEIP review process must take public comments into account, particularly regarding the selection of targets, actions and indicators, with respect to the original CEIP and proposed updates, and in consideration of the scope and scale of impacts anticipated and assessed.

When the Commission demands that utilities develop more stringent targets or adjust timelines, through the standard adjudication process or at the request of a concerned party, the burden should lie with utilities to (1) demonstrate that they are unable to meet the demand and (2) describe the technical, structural, and resource limitations and how those might be alleviated to make it possible.

III. FC considers Restorative Justice - Meaningful Participation - Adequate Reporting - Accountability Mechanisms Framework in Response to the UTC Questions #1-4

Question 1) Commission approval of CEIP contingent upon utility justification and support for each specific action

Yes, F&C agrees with the UTC's interpretation of RCW 19.405.060(1)(c) that Commission approval of the CEIP is contingent upon the utility justifying and supporting each specific action it takes or intends to take in the CEIP. Restorative Justice is advanced when utilities deliberate carefully around the impacts of their specific compliance actions and ultimately elect to take specific actions that increase benefits for and reduce burdens on HICs and VPs. They must justify their planning decisions so they are (a) evidence-based: connected them to results of IRP data assessment with regards to the baseline equity condition of IOU's service area and scope of impact, and (b) outcome-oriented: include and evaluation of anticipated equity outcomes for each action and related indicator measure.

UTC approval is a critical accountability mechanism to ensure that IOUs are being responsive to the identified equity discrepancies and opportunities in their CEIP target-setting. Additionally, UTC may monitor the standards for equity mandate compliance actions set across utilities.

2. Requirement of funding to support equity-related public engagement. (equity advisory group, equity focused interveners) - Commission authority - type(s) of funding and implementation

(a) UTC has authority to direct IOUs to fund boards and equity interveners

F&C approves of the requirement in the rules that utilities fund equity advisory groups, and it is absolutely necessary that the funding and administrative operations of the group be managed in a way that preserves its independence. The rules provide for the advisory groups to directly influence utility planning

and decision-making with regards to the equity impacts of their transition work. There are numerous considerations at play, including the time and commitment expected of group members in order to meet its purpose. Third party-led equity interventions provide needed support to IOUs on defining parameters of actions - expands the pool of expertise and the range of perspectives (and those who can speak from direct or close proximate experience) on equity impacts. Identifying, evaluating, and remarking on equity considerations is not quick and easy work, nor can it be sustained well by even the most ardent spirit of volunteerism. As we are experiencing in this rulemaking process, intervening in the equity space requires a wide breadth of voices and constant learning. The time that should be dedicated to the advisory process will need to be compensated in the interests of justice and accessibility for participants from concerned communities and populations.

Dedicated resource allocation to the boards demonstrates compliance with the requirement to host these boards, and maintains their independence from IOU employer (principal/agent) relationship. Independent advisory bodies to private corporations that operate monopolies to provide for a basic necessity - as IOUs exemplify - must be endowed with sufficient resources to function, exert influence, and fulfill the advisory role which the UTC declines to supplement. IOUs are responsible for resourcing commitments and should report on their budget for advisory boards and public planning inputs in advance and allocate a fixed minimum percent of their budget towards funding this and other mechanisms for building a higher degree of independent advisory and multi-party scrutiny support into their planning processes. And this system must be managed carefully and fairly in order to mitigate the danger of undue influence on group members from the funding source.

(b) Types of funding must be varied to accommodate diverse forms of equity intervention (direct compensation, budget allocation for equity capacity-building broadly)

[DISCUSS "UTC Bank" MODEL]

In the interest of aligning CETA implementation with restorative justice, there must be greater inclusion and capacity development for public participation to amplify underrepresented voices in energy planning and strategy. Funding for meaningful participation through public comment sessions, invitations to representatives of HICs and VPs in workshops and short-term events and limited timeframe interventions may take the form of per diems (e.g. for childcare, transport). A flat hourly rate or fixed per quarter/session sum for Advisory Board participation, cost of workshops and trainings for salaried employees, honorariums and consultant fees for specialists, and outreach costs should also be budget line items set aside in advance.

(c) Issues with Utility Funding Public Participation in Equity Interventions

Issues the Commission should consider in ensuring that the rules adequately support well-resourced and effective advisory groups include: (1) group participant selection and management to ensure minimum standards for effective interventions, (2) equity and fairness in compensation, (3) flexible financing arrangements to ensure there is diverse access to group participation, and (4) funding organizations directly whose staff/representatives are participating through such affiliation, or alternative direct compensation for independent capacity and one-time/short term participants. These administrative concerns must be addressed at the outset of establishment of advisory groups and participant solicitation and selection.

3. **Ex parte concern around Commission involvement in direct prescriptive orders for utilities around equity -- UTC can do workshops, special open-meetings, consider EJ Taskforce guidance, and continued agency-wide learning --> please provide a list of CETA-related topics the Commission should address immediately following or concurrent with this rulemaking.**

Resiliency and Emergency Responsiveness

Energy providers are in a position to respond to and support the equitable application of system resiliency measures to energy customers most immediately and greatly harmed by Covid 19 and other urgent, extreme and unanticipated health and economic externalities. All energy system planning, from CETA implementation to existing operations, must provide stronger mechanisms for ensuring the safe access to energy as a human right and protections from harmful energy byproducts in times of insecurity.

Selecting and Tracking Indicators for Equitable Distribution (expanding equity mandate)

FC understands that the Commission will develop further guidance on the CETA rules, and therein should be provisions for enhancing equity understanding through categories directly linked to IOU operations and institutional influence. Utilities must understand the scope of their operations and how they might advance equity through restorative justice, and the Commission may support this through directing resources and developing an appropriate learning and development tool to use them.

- Energy Access and Affordability
 - o IOU – sets rates, provides Energy Service for fee
 - IOU - provides Energy Assistance
 - o IOU – collects data on Payments, Customer Behavior, Demographics
 - o IOU – accounts for primary system resiliency (community access to energy in times of crisis) and energy security (protection against blackouts)
- Procedural Justice and Democracy
 - o IOU – consults public on planning
 - IOU - funds meaningful public participation
 - IOU - publishes information about community power
 - IOU - adopts public input in decisions
 - IOU - directs funds to community empowerment programming
- Community Ownership and Economic Participation
 - o IOU – consults communities to determine facility and asset siting
 - o IOU – hires employees and engages consultants
 - o IOU – contracts with businesses and vendors
- Health and Environmental Impact
 - o IOU – acquires resources and transports them, including across state lines
 - IOU - supplies electricity sourced from carbon emitting processes

Learning from public participation

UTC guidance on ongoing learning around metric development should emphasize importance of meaningful participation in that process. Greater guidance on specific public participation opportunities and actions is advisable.

Developing standards for equity interventions and mitigation

UTC leads annual (no greater than every 4 year) process to review the status of equity mandate and better coordinate how IOUs are assessing issues, identifying action avenues, and applying the equity lens.