



September 11, 2020

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.

As the Commission enters into the final stage of rulemaking, 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. Front and Centered reiterates the importance of equity in all aspects of energy planning.

I. FC Supports Prioritizing Energy Equity in CETA Implementation

Front and Centered is committed to centering equity in the development and implementation of climate policies to prevent burdens and generate beneficial outcomes for communities and populations that have borne the most burdens and least benefits from the electricity sector. The Clean Energy Transformation Act definitively recognizes and codifies equity into Washington law as a core principle and multi-dimensional priority. The intent of the legislature is to ingrain equity into energy policy such that electric utilities must “ensure that all customers are benefiting from the transition to clean energy: Through the equitable distribution of energy and nonenergy benefits and reduction of burdens to vulnerable populations and highly impacted communities; long-term and short-term public health and environmental benefits and reduction of costs and risks; and energy security and resiliency.”

CETA requires that the clean energy standards be achieved in such a way that there is an equitable distribution of benefits and reduction of burdens, with particular concern for highly-impacted communities and vulnerable populations. The Commission’s second rules draft for the Integrated Resource Plan (IRP) and Clean Energy Implementation Plan (CEIP) dockets addresses the CETA equity mandate in (1) the data assessments that utilities are required to establish a baseline for measuring the change in equity conditions, (2) the opportunity for equity guidance and public participation in the IRP and CEIP planning process, (3) the indicators that utilities must track, the (4) specific actions that utilities will take towards equitable distribution of benefits and burdens within the established timeframes, and (5) utility reporting on compliance. In its rulemaking role, the Commission is providing the necessary structure for the processes that support utility compliance commitments to the equity mandate.

Front and Centered comments here in favor of clear prescriptions and robust enforcement of the rule provisions such that the law’s prescriptions and intent are followed to the highest standard and in the interests of justice and equity.

II. The Commission’s Second Discussion Draft Rules Provide Clear Equity Protections

A. Definitions

Equitable Distribution

“**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 language of ‘mitigating disparities’ is insufficient to provide equity, and it is not referenced in the statute. 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. Clearly stating “reduce” rather than “mitigate” makes it clear that compliance requires a measurable narrowing of disparate impacts.

Highly impacted community

"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, with geographic span confirmed by local residents directly impacted by high risk factors.

The HIC definition adequately designates the origin point of geosocial parameters for applying a restorative justice intent to compliance actions, 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 household and community 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 elements of ‘community’ in addition to the CIA ranking of census tracks. The Commission should refer to direction from the department of health for additional designation instructions and not rely solely on utility discretion.

Indicator

"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. Front and Centered proposes that the Commission add language to include an outcome-oriented approach to the full arc of distribution tracking.

Vulnerable populations

"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, limited education and literacy, membership in a marginalized race or ethnic group, insecure residency status, and linguistic isolation; and sensitivity factors, such as low birth weight and higher rates of hospitalization. Vulnerable populations and the impacts on may be considered from within the context of highly-impacted communities.

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

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.

B. Standards

Equitable Distribution

WAC 480-100-610(4): Utilities must “(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 highly-impacted communities and vulnerable populations from the other transition benefits that utilities must ensure for all customers, there is an apparent set back of the areas of intervention specific to the restorative justice element of energy equity. Equity in the implementation of CETA requires that harms experienced by highly impacted communities and vulnerable populations, such as adverse health outcomes and economic exclusion, be addressed in the form and function of utility operations in the transition. 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 public health, the environment, energy security and resilience. The framing of this rule standard must be revised to support the law’s intent that benefits for all are achieved when the most impacted and vulnerable are centered.

C. IRP

IRP Assessments

Front and Centered approves of the IRP rules providing for robust action to define standards for utilities to assess the equity conditions and beneficial and harmful impacts one those within their sphere of operations. These include 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.

We recommend that in WAC 480-100-620 (9) “Cases, scenarios, and sensitivities”, a third scenario be added to the required scenarios and not left to the utility’s discretion: a “minimum disparities scenario” that demonstrates the outer bounds of alternatives available to the utility for minimizing inequities in providing energy services. CETA’s equity mandate is novel and assigned significant importance by the legislature; utilities will need specific direction and encouragement in exploring this new territory. Requiring a minimum disparities scenario would facilitate early and ongoing exploration of options for leveling the distribution of energy and non-energy benefits and burdens. This scenario enables “stretch-goal” thinking and assures serious consideration of reaching new equity baselines. We propose additional language as follows: At least one scenario must be a minimum disparities scenario. This scenario should model the maximum plausible extent, prior to any balancing against other goals, of equitably distributing energy and non-energy benefits, and of reducing burdens to vulnerable populations and highly impacted communities.

As for the preferred portfolio section, the rule 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-reducing~~ disparities in benefits and burdens for highly impacted communities and vulnerable populations and the estimated degree to which such disparities will be ~~mitigated-reduced~~ over the planning horizon; assesses the environmental health impacts to highly impacted communities”.

As discussed already, the “mitigating disparities” language should be changed to “reduce disparities” to make clear that absolute reduction of named disparities is the ultimate marker of the meaningful advancement of CETA’s equity interest. We are concerned that the use of the phrase “mitigating disparities” potentially downgrades and diminishes the CETA equity mandate. Though the current subsection reiterates that the preferred portfolio must include a description of how it “[a]chieves the requirements of WAC 480-100-610(4)(c),” it then goes on to either insert a novel additional requirement on top of the existing ones or, more problematically, diminishes the legislature’s standards. We object to Commission rule language that could be read to change the legislature’s requirements – equitably distributing benefits and reducing burdens – to anything less demanding, such as merely mitigating disparities. We are particularly concerned that “mitigation” could be interpreted to mean that indirect substitutes for the legislature’s mandate are allowable, i.e., that instead of directly equalizing benefits or directly reducing harms a utility would be permitted to substitute in-lieu benefits of a different sort.

To leave the legislature’s intent clear, we recommend more specifically writing this proposed subsection or, as a lesser alternative, substituting the word “reducing” for “mitigating” as proposed above.

Clean Energy Action Plan (CEAP)

We are again concerned that the use of the phrase “mitigating disparities” in Proposed WAC 480-100-620 (11)(c) potentially downgrades and diminishes the CETA equity mandate restated in proposed WAC 480-100-610(4)(c). Again we suggest an alternative that follow more closely the legislature’s intent:

(c) Demonstrate how the utility will meet the requirements in WAC 480-100-610(4)(c), including, but not limited to, (i) describing the specific actions the utility will take to equitably distribute benefits and reduce burdens for highly impacted communities and vulnerable populations, (ii) estimating the degree to which such benefits will be equitably distributed and burdens reduced over the CEAP's 10-year horizon, (iii) describing the specific actions the utility will take to reduce disparities in benefits and burdens for highly impacted communities and vulnerable populations, (iv) estimating the degree to which such disparities will be reduced over the CEAP's 10-year horizon, and (v) a description of how the specific actions are consistent with the long-term strategy described in WAC 480-100-620(10)(f);

Public Participation in Integrated Resource Planning

We support 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.

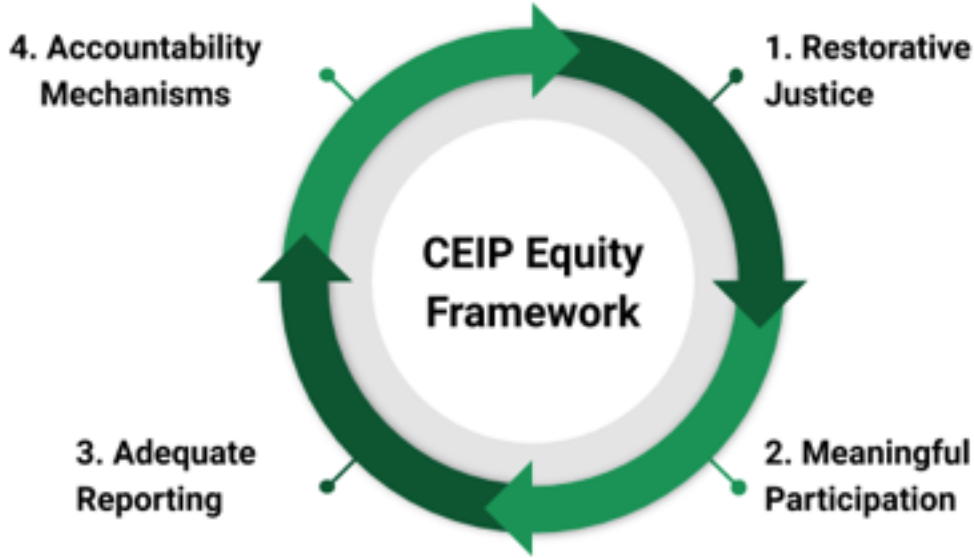
The rules around public participation in 480-100-630 may be strengthened to require explanations of how utilities considered each input on its merits and independently of cost concerns. The rule explicitly allows for a utility to satisfy the requirement to consider public input by 'explaining why public 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.

Additionally, we strongly recommend that the equity advisory group formed under WAC 480-100-655 for CEIP planning be provided a mandate for an expanded role in equity intervention in utility planning, including in review of equitable distribution considerations in the IRP from the design to the finalization stage. The IRP and the CEAP preced the CEIP, where the strongest public participation rules currently reside. Yet the data collected in the IRP assessments and the actions put forth in the CEAP directly inform the interim targets, indicators and specific actions in the CEIP. The purpose of the equity advisory groups, and the equity interest they represent, can only be achieved through the groups' ability to review and inform utility decisions at all planning and implementation stages.

D. CEIP

Specific actions - Equity metrics

Front and Centered 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. As we introduced in a prior comment, the strength of the CEIP in advancing CETA's intent lies in how well it is developed in consideration of the presence of core elements of a functional and effective equity policy.



Measurement of equity is rooted in restorative justice and the remediation of existing injustice. Meaningful participation in the development and implementation of these metrics supports the principle of procedural justice. Adequate reporting is necessary for the enforcement of targets and aids in the establishment of clear baselines, allowing reasonable and actionable goals to be set with the intent of improving current circumstances. Accountability mechanisms hold utilities to the equity standards mandated by CETA. Recognizing that each community will vary, the CEIP rules may be further developed to attain consistency in how utilities adopt selection, tracking, and performance evaluation processes for complying with the equitable distribution mandate.

The list of five proposed indicators in the draft rules, though expressly not exhaustive, must be suitably tailored to the legislature’s intent in the equity mandate. It is important that the rules enabling CETA’s equity mandate provide for a credible and comprehensive impacts analysis to aid in indicator design and action planning for equitable distribution.

Target-setting for the intended equity outcomes can be tracked by measuring the distribution of named benefits and reduction of known burdens, costs and risks for target populations. Utilities must measure the distribution of units of benefit (energy and nonenergy) in volume, frequency, rate, and spread per capita/household in HIC and VP over a short- and long-term timeframe; and they must measure the reduction of units of burdens, costs and risks (energy and non energy) in the drop in percent and volume.

To ensure customer benefit from the clean energy transition utilities have a positive obligation to recognize that in their every operational behavior are equity concerns. The energy impacts on community resiliency and security, and the non-energy impacts on health, the environment, economic integrity, and governance (i.e. public participation in energy decision-making). We

agree with the Commission's draft rules minimum requirement of indicators for the equity dimensions of health and safety, economic justice, resiliency, energy security, environment, and we recommend additional indicators required to track the element of governance participation. Governance participation as an equity interest that utilities must track is related to the opportunities for participation in decision-making processes that are afforded to the target populations.

Broadly the equity areas concerned and metrics develop may be categorized under Energy Access and Affordability, Procedural Justice and Democracy, Community Ownership and Economic Participation, and Health and Environmental Impact. These categories provide a conceptual breakdown of overarching equity interests with regards to the clean energy transition. A utility's success in securing equitable distribution will come down to how well it understands the breadth of its influence in these areas, and accordingly commits to and carries out thoughtful interventions. Commission oversight is critical to utilities' success here.

We suggest the following language:

(g) Include proposed or updated indicators and associated weighting factors related to WAC 480-100-610(4)(c) including, at a minimum, one indicator associated with each element stated in WAC 480-100-610(4)(c) or one or more indicators associated with public health, environment, economics justice, energy security, governance participation, and resiliency.

Identifying and Assessing Impacts on Highly Impacted Communities and Vulnerable Populations

We agree that the cumulative impact analysis (in development at this time) or existing Environmental Health Disparities Map is currently the best tool for identifying census tracts with the highest concentrations of highly impacted neighborhoods. The rules provide utilities with a clear framework for using it. As the CIA is and continues to be updated to provide the most recent data on highly-impacted communities, there should be an additional mechanism to support qualitative inputs into identification of highly-impacted communities. This mechanism may track highly-impacted communities that are the most highly impacted to an absolute, rather than just relative, degree and flag them as 'highest risk communities'. It might also allow for identifying communities in a changing position of increasing insecurity and risk, in a way that can be foreseen although the harm might not yet manifest in census data which is time and method limited.

Front and Centered also considers the rules around identification of vulnerable populations 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 a range of vulnerability, or socioeconomic and sensitivity, factors. There should also be instruction on how equity 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 highly-impacted communities and vulnerable populations may better direct utilities to assess burdens on highly impacted communities and vulnerable populations beyond their service territory, insofar as the impacts of their decisions and action

often extend beyond those borders (e.g. highly-impacted communities directly affected at the point of origin of an energy resource, even out-of-state).

Front and Centered 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 highly-impacted communities and vulnerable populations are affected, and an explanation of how the utility intends to reduce 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. Additional examples, including those suggested by the Northwest Energy Coalition, will provide the basis for utilities and concerned parties to collaborate effectively and meaningfully to co-develop implementation plans that reflect diverse inputs. We recommend the following language addition:

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 **and how barriers to incorporating input will be removed in future consultations.**

We are highly in favor of the equity advisory group and its role as an independent equity intervenor in utility planning and implementation. The rules properly provide for advisory groups to be active in CEIP compliance, but CEIP review alone is insufficient for the groups to be effective intervenors. We strongly recommend, as stated previously with regards to the IRP, that the groups are formed and functional outside of the CEIP process so that they may inform the development and updating of equity commitments from the earliest stages of utility planning through the various implementation and reporting stages.

Compliance Report

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, (2) describe the technical, structural, and resource limitations at play, and (3) how those might be alleviated to make it possible to meet the intent and incorporate its substance in future planning as appropriate.

III. Front and Centered Response to Questions #1-3

1. Do you agree with Staff’s interpretation of RCW 19.405.060(1)(c) that Commission approval is contingent upon the utility justifying and supporting each specific action it takes or intends to take, including providing the business cases supporting each specific action identified in the CEIP? Please explain your response.

Yes, Front and Centered agrees with the Commission’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 highly impacted communities and vulnerable populations. They must justify their planning decisions so they (a) reflect community concerns, are (b) evidence-based: linked to IRP data assessment with regards to the baseline equity condition of utility’s service area and scope of impact, and (c) outcome-oriented: include and evaluation of anticipated equity outcomes for each action and related indicator measure.

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

2. Several comments submitted in response to the first draft CEIP rules proposed that the Commission require some form of funding to support equity-related public engagement. Specific proposals ranged from requiring utilities to provide funding support for participation in a utility’s equity advisory group to utilities funding support for equity-focused intervenors.

(a) Does the Commission have the authority to require utilities to provide funding to support equity participation such as intervenor funding or direct payments to advisory group members?

Front and Centered 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 necessarily provide for the advisory groups to inform utility planning and decision-making with regards to the equity impacts of their transition work. There are numerous considerations at play. This is not quick and easy work, nor can it be sustained 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. 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.

Third party-led equity interventions provide needed support to utilities on defining the scope of their actions and expands the pool of expertise and the range of perspectives (and those who can speak from direct or close proximate experience) on equity impacts. 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 utilities exemplify - must be endowed with sufficient resources to function, exert influence, and fulfill the advisory role which the Commission might facilitate but not fill.

Utilities 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.

(b) If so, what type(s) of funding should the Commission require, and how would utilities implement such funding? For example, if you advocate direct payments to advisory group members, how would the utilities structure those payments (e.g., based on an hourly rate, per diem, etc.)?

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. We are generally supportive of the approaches discussed in the comment from Public Counsel.

(c) What other issues arise if the Commission were to require utilities to provide funding or direct payments to support equity advisory group members?

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

A more important issue than financing is the process around selection of group participants. The Commission must instruct utilities to consult with equity advisory groups that are established through a fair and transparent process with participants subject to Commission approval.

3. The Commission appreciates the value stakeholders have said they see in having commissioners and the agency participate in broad conversations about equity needs. Due to restrictions on commissioners taking part in ex parte

conversations concerning items that are before the Commission to decide, the commissioners cannot engage in such conversations or otherwise participate in utility advisory groups to discuss issues related to particular CEIPs. However, the Commission will be involved in the process through workshops, special open-meetings, and other available proceedings with stakeholders to discuss important issues. The Commission additionally awaits guidance from the state Environmental Justice Task Force on agency engagement with equity issues and looks forward to addressing recommendations internally and throughout agency divisions as needed. The Commission is further committed to addressing agency awareness of equity issues and needs through continued agency-wide learning. The concerns stakeholders raised through their comments are beyond what this single rulemaking can address and may be better addressed outside of this docket. In preparation for future process and discussions, 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. The Commission must also clearly center community and the right to affordable energy without interruption in definitions of resilience and energy security which should be included in the rules to reiterate their importance and affirm their inclusive and equity elements. Please refer to our comments dated June 2, 2020 for recommended definitions.

Learning from public participation

Commission guidance on ongoing learning around metric development should emphasize the importance of meaningful participation in that process. Additional guidance on specific public participation opportunities and actions is advisable to supplement the current participation opportunities at the outset.

Developing standards for equity interventions and mitigation

The Commission should lead an annual or biannual process to review the status of the CETA equity mandate and better coordinate how utilities are assessing their impacts, identifying highly-impacted communities and vulnerable populations, selecting priority issues for indicator development and action planning, and applying the equity lens overall. This process will provide an opportunity for feedback, sharing, learning, identifying best practices, and allowing the Commission to note and build performance standards into updates and refinement of the policy guidance.

Selecting and Tracking Indicators for Equitable Distribution

We understand 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 utility operations and institutional influence.

As we have previously commented, RCW 19.405.040(8) imposes unique duties on utilities which largely come down to how utilities recognize the extensive scope of their influence well beyond the basic provision of electricity to customers. The complexity of the inputs that go into providing electricity means a complex and interconnected web of power. Electric utilities are in homes, schools, libraries, shelters, hospitals, social service facilities, community centers, religious buildings, places of work, and places of recreation, public and private. Electric utilities are in bill and rent payment decisions, low income assistance access, decisions for which basic necessities to cut from household consumption, job applications, community solar feasibility studies, green economy conversations, car buying decisions, contract bids, contracting relationships, investment portfolios, and the real estate market. Electric utilities are in air quality indices, water access and pollution measures, natural disasters and fire hazards. Electric utilities are in the wires above and under the ground, processing and distribution centers, on roadways and in maintenance and repair vehicles, at the point of origin for electricity resources, in transportation policy, and in climate change. Electric utilities are in pandemics. Every operational decision a utility makes and the actions it takes can have beneficial or harmful ramifications for people and the planet in many not-so-indirect ways.

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. We suggest that the Commission provide opportunities to explore the following areas of utility operation which touch on equity issue areas:

- **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 outage)
- **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

Utility action and impact tracking must be further developed to include metrics of “how much” and “how well” interventions are carried out. “How much” a utility carried out an specific action may be measured through indicators such as the amount of people reached or amount of money

spent on a certain project or program, while “how well” an action was completed can function as a way of linking the utility actions and equity outcome metrics by identifying which equity outcomes a specific action intends to improve and measuring the actual change observed as a result of the action. This and many other considerations should be explored in additional policy guidance on equity metrics. Please see Appendix A for some examples of equity metrics and related potential utility actions (within scope of standard operations and specific to equity performance goals), some of which are taken from other jurisdictions. The information in these tables was compiled by the Initiative for Energy Justice and are still in development. The list items derive from a large variety of resources which are discussed in depth in a forthcoming literature review which speaks to the diverse avenues for measuring equity. This is being produced through our collaboration with the IEJ and will be accompanied by a CETA-specific brief.

Thank you again for the opportunity for us to submit our comments on the second discussion draft of the CEIP and IRP rules for consideration. If you have any further questions, need further clarification or additional information, please do not hesitate to reach out to me at deric@frontandcentered.org and via phone at (206) 422-2597.

Sincerely,

A handwritten signature in black ink that reads "Deric J. Gruen". The signature is written in a cursive style with a large, stylized initial "D".

Deric J. Gruen
Co-Executive Director
Programs and Policy

Appendix A: Examples of indicators for from literature review of tools for measuring equity in 100% renewable energy deployment, currently in development by the Initiative for Energy Justice

Energy Access and Affordability

| Equity Outcome Metrics |
|---|
| Share of households (or population) without electricity or commercial energy, or heavily dependent on non-commercial energy ⁸ |
| Share of household income spent on fuel and electricity ⁸ (energy burden) ⁴ |
| Household energy use for each income group and corresponding fuel mix ⁸ |
| Access and proximity to community facilities, services, and infrastructure in neighborhoods with the highest percentage of low-income residents and people of color ¹ |
| Utility rate individual equity score ⁷ |
| Customer cost savings in \$ saved (total and by customer class) ⁹ |
| Percent of population living within a reasonable distance from a heat island mitigation feature that provides localized cooling through tree canopy cover, green roofs or green walls; white roofs or cool roofs; and/or light colored pavement or groundcover ¹ |

| Utility Actions |
|--|
| Provide access to information technology for people without connection to the Internet ¹⁴ |
| Provide assistance in accessing subsidies that may be available for low-income members of the community to obtain Internet access in their homes ¹⁴ |
| Provide energy-reduction programs specifically targeted to assist low-income residents ¹⁴ |
| Provide transportation programs specifically targeted to assist low-income residents ¹⁴ |

Procedural Justice and Democracy

| Equity Outcome Metrics |
|--|
| (Increase in) local survey responses indicating that residents believe they are able to have a positive impact on their community ¹ |
| Demonstrate (an increase in) appointments to local advisory boards and commissions that reflect the gender, racial, and ethnic diversity of the community ¹ |

Composition of planning organization boards¹²

| Utility Actions |
|---|
| Data and information regarding the ongoing community changes are accurate and accessible (e.g., culturally, linguistically, and physically) and transparent to all ^{3,19} |
| Multilingual outreach is conducted ¹⁶ |
| Community assessments are conducted ¹⁶ |
| Community planning and visioning workshops are held ¹⁶ |
| All parties affected by environmental decisions are invited to contribute to and are included in all stages of the decision-making process ¹⁹ |
| Those affected have control of the outcome of decisions proportional to how much they would be affected ¹⁹ |
| Relevant rules and procedures are applied consistently, with regard to all parties ¹⁹ |
| All parties are accountable, that is, responsible to answer for their actions and decisions and to remedy them if necessary ¹⁹ |
| There is free access to legal redress to ensure accountability ¹⁹ |
| All parties have access to sufficient skills and material resources to enable them to participate on an equal footing ¹⁹ |
| All environmental decisions are made publicly and free from external coercion ¹⁹ |
| Decision-making is deliberative, that is, free from any authority of prior norms or requirements ¹⁹ |
| Right to peaceful protest is upheld ¹⁹ |
| An advisory board is appointed to provide oversight on equity in the distribution of programs and services and in future development and planning initiatives ¹ |
| Partnerships that engage key community groups and stakeholders in activities to advance equitable access and proximity to facilities, services, and infrastructure are established ¹ |
| An office or interdepartmental working committee to ensure access, equity, and inclusion in programs and service delivery is established or maintained ¹ |
| Advanced equity, inclusion, or cultural disparity training for local government staff is provided ¹ |
| Equity impact assessments are incorporated into the development and evaluation of program and services ¹ |
| Expand or modify the deployment of local programs and services to reduce disparities ¹ |

Economic Participation and Community Ownership

| Equity Outcome Metrics |
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| Percent change in average annual receipts per firm by race/ethnicity, by gender ² |
| Average annual receipts per firm by race/ethnicity, by gender ² |
| Percent change in number of firms by race/ethnicity, by gender ² |
| Earned income by percentile for full-time wage and salary workers ² |
| Growth in jobs and earnings by wage level ² |
| Gini coefficient ² |
| Income inequality: 95/20 ratio ² |
| Percentage of residents living below the poverty line ¹ |
| Percentage of women, men, children, and additional subgroups of residents living below the poverty line ¹ |
| Direct annual jobs created in full-time equivalents (FTEs) ⁹ |
| Labor wage impacts in direct job wages (\$/hour) ⁹ |
| Fiscal impacts in costs (\$ spent), cost savings (\$ saved), surplus revenue (\$/year) ⁹ |
| Local energy generation in GWh generated per year ⁹ |

| Utility Actions |
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| Promote job creation, including the development of “green jobs” ¹⁴ |
| Training and workforce development, including preparation for filling “green jobs” ¹⁴ |
| Requirement that contractors with local government provide a living wage for employees ¹⁴ |
| Requirement that contractors with local government provide health insurance for employees ¹⁴ |
| Adopt a community wide plan to reduce poverty ¹ |
| Develop public education campaigns to inform residents about how to enroll in available service programs to help meet basic needs ¹ |
| Establish or support programs that reduce the costs of basic needs for low-income households ¹ |

Health and Environmental Impact

| Equity Outcome Metrics |
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| Share of population and pollution burden, by race/ethnicity, geography ² |
| Air pollution exposure index, by race/ethnicity ² |
| Percent of adults with asthma by race/ethnicity ² |
| Composite score: environmental vulnerability (proximity to fossil fuel power plants, extraction sites, hazardous waste, incinerators, pollution point sources) ⁵ |
| <p>Pollution Burden Indicators⁶/Environmental Indicators⁵</p> <ul style="list-style-type: none"> • National-Scale Air Toxics Assessment (NATA) air toxics cancer risk⁵ • NATA respiratory hazard index⁵ • NATA diesel PM⁵ • Particulate matter⁵ • Ozone⁵ • Traffic proximity and volume⁵ • Lead paint indicator⁵ • Proximity to Risk Management Plan (RMP) sites⁵ • Proximity to Hazardous Waste Facilities⁵ • Proximity to National Priorities List (NPL) sites⁵ • Wastewater Discharge Indicator (Stream Proximity and Toxic Concentration)⁵ • Drinking Water Contaminants⁶ • Pesticide Use⁶ • Toxic Releases from Facilities⁶ • Cleanup Sites⁶ • Groundwater Threats⁶ • Impaired Water Bodies⁶ • Solid Waste Sites and Facilities⁶ |
| Composite score: demographic vulnerability (combination of household income, race/ethnicity, linguistic isolation) ⁵ |
| <p>Population Characteristics⁶/Demographic Indicators⁵</p> <ul style="list-style-type: none"> • Percent Low-Income⁵ • Percent Minority⁵ • Linguistic isolation⁵ • Individuals under age 5⁵ • Individuals over age 64⁵ • Asthma⁶ • Cardiovascular Disease⁶ • Low Birth Weight (LBW) Infants⁶ • Educational Attainment⁶ • Housing Burdened Low-Income Households⁶ • Poverty⁶ • Unemployment⁶ |
| GHG emission reductions in metric tons of CO ₂ (MTCO ₂), GHG intensity (MTCO ₂ /MWh) ⁶ |
| Accident fatalities per energy produced by fuel chain ⁶ |

Criteria air pollution reductions in metric tons (MT) of criteria pollutants reduced⁹

| Utility Actions |
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| Construct new facilities and infrastructure in locations that reduce existing disparities ¹ |
| Identify the community's priority environmental justice conditions and priority neighborhoods for evaluation in this objective ¹ |
| Reduce the risks and exposure to priority environmental justice conditions for priority neighborhoods ¹ |
| Conduct a comprehensive environmental justice assessment ¹ |
| Provide information and education to the public regarding environmental justice conditions and available programs and services to alleviate disproportionate impact ¹ |
| Incorporate environmental justice criteria and priorities into zoning, land use planning, permitting policies, and development of new projects ¹ |
| Create community benefit agreements (CBAs) for environmental justice site remediation projects and/or proposed development projects with environmental justice concerns ¹ |
| Monitor and enforce environmental regulations for existing facilities that impact prioritized environmental justice sites and overburden neighborhoods ¹ |
| Implement projects to reduce exposure to contaminants and risks associated with environmental justice conditions ¹ |
| Demonstrate a measurable reduction in vulnerability and/or increase in resiliency to 3 community wide risks and 1 at-risk population group* ¹ |

1.