

Attachment G – Energy Equity Supporting Documentation

This documentation is linked in the Energy Equity section of the EPPM tool to enable sponsors to have guidance at their fingertips when submitting their CSAs.

Energy Equity Background Information

This information provides general information on Energy Equity and how you may use it to evaluate whether the proposed resource or project is distributing benefits and reducing burden equitably.

At the U.S. Department of Energy, Energy Justice^[1] (interchangeably as Energy Equity within this context) is defined as the goal of achieving equity in both the social and economic participation in the energy system, while also remediating social, economic, and health burdens on those disproportionately harmed by the energy system.

As PSE accelerates the transition to clean energy, energy equity remains at the center of its energy planning, operations, and practices. PSE operationalizes energy equity through the four tenets of energy justice – recognition, procedural, distributional and restorative – from the 2022 Cascade Natural Gas Order^[2], the University of Michigan’s Energy Equity Project^[3], and the Distributional Equity Analysis practical guide^[4]. You can also find pertinent energy justice information from the Justice40 Initiative^[5], CETA (Clean Energy Transformation Act^[6]), PSE’s CEIP (Clean Energy Implementation Plan^[7]), and the Climate Commitment Act^[8].

By applying the fundamental principles of energy equity, you should be able to identify the following with your proposed resource or project:

1. Who the project/process affects (Recognition Equity)
2. Participation level of stakeholder engagement (Procedural Equity)
3. Distribution of benefits and burdens of energy activities (Distributional Equity)

Energy Equity (Energy Justice)

Recognition equity has been described as a need to account for the existing forms of inequality and inequity, particularly when climate change mitigations or interventions may exacerbate or entrench underserved, disadvantaged people. Recognition justice includes actors and sites of inequality, the exchanges, processes, and flows of the system that contribute to risks and vulnerabilities. Recognition equity should not be simply performed with the elimination of inequality but with actions that prevent disrespect, misrepresentation, and humiliation. Recognition of people’s membership in the moral and political community, ensuring inclusion in decision-making, reducing stereotypes, discrimination, gender equality gap or other cultural domination that might undermine individual rights to participate. Under this tenet, we will remove assumptions regarding poverty population as a homogeneous group; consider access to energy efficiency technologies, infrastructure distribution, social behaviors, and demographic factors as a collective program design attribute; acknowledge population diversity; and endorse public to participate and share expertise.

Procedural equity includes the creation of meaningful participation and engagement opportunities in decision making throughout a project lifecycle. Informed by the International

Association of Public Participation's (IAP2) spectrum of public participation^[9], the decision-making continuum levels include inform, consult, involve, collaborate, and empowerment. To achieve successful public participation, a project would: (1) dedicate time to research and gain a better understanding of cultural perspectives; (2) assess community structures to meet them where they are; (3) listen more than you speak; (4) respect and support community to co-develop; (5) build agency for resilience; (6) recognize and consider power dynamics and expertise; (7) democratize participation, include virtual opportunities; (8) maintain a human-centered design and planning approach. The critical component for equitable participation is to be flexible, lean in to listen to participant's needs and provide necessary accommodations to enhance their experiences.

Distributional equity fits with the concept of "who gets what, when and how?" This calls for the placement of benefits and burdens of the energy infrastructure. Key components include: (1) define priority populations; (2) identify distributional equity metrics; (3) conduct rate, bill, participation analysis separately with priority populations and other customers; (4) estimate how priority populations will be affected by proposed project or resource allocation; (5) develop reporting standards to present Benefit Cost Analysis and Distributional Equity Analysis transparently. The World Resources Institute outlined ways to build equity into clean energy initiatives^[10], such as engaging and collaborate with community members during the initial stages of defining problems and co-developing plans, focus funding support and remove cost barriers to clean energy upgrades for energy burdened consumers, ensuring that new initiatives will not exacerbate existing inequities, include equity criteria in contracting bid evaluation processes, create local green job training and employment, prioritize deployment and rollout of clean energy technologies in frontline communities.

Restorative equity should be conceived as an integrated concept within the context of being a useful transformative tool for analyzing existing energy problems. This tenet should be considered as an impact assessment that informs planning to avoid potential damage to people and the environment. The concept of restorative equity represents the principles collected from the triumvirate of the three other energy equity tenets. It is important to note that meaningful dialogue is a necessary component for this tenet. Under this fundamental principle, we can ensure that promises are undertaken, and we can reshape and transform our work to best reflect an equitable future.

^[1] [How Energy Justice, Presidential Initiatives, and Executive Orders Shape Equity at DOE | Department of Energy](#), 2022.

^[2] WUTC v. Cascade Nat. Gas Corp., Docket UG-210755 Final Order 09 (August 23, 2022)

^[3] Energy Equity Project, 2022. "Energy Equity Framework: Combining data and qualitative approaches to ensure equity in the energy transition." University of Michigan – School for Environment and Sustainability (SEAS)

^[4] DEA for DER, LBNL/Synapse, 2022. [Distributional Equity Analysis: Advisory Committee | Energy Markets & Policy \(lbl.gov\)](#)

^[5] Justice 40 Initiatives <https://www.whitehouse.gov/environmentaljustice/justice40/>

^[6] RCW 19.405

^[7] Clean Energy Implementation Plan pursuant to Conditions 4, 6, 7, 9, 10, 11 and 28 of Final Order 08, August 4, 2023; available at <https://www.utc.wa.gov/casedocket/2021/210795/docsets>

^[8] RCW 70A.65

^[9] IAP2 Spectrum of Public Participation https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum_8.5x11_Print.pdf

^[10] 7 Ways US cities can make clean energy initiatives more equitable. <https://www.wri.org/insights/us-cities-equitable-clean-energy> 2022.