EXH. MFT-1T DOCKET UE-210795 2022 PSE CEIP WITNESS: MARIEL THURAISINGHAM

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of PUGET SOUND ENERGY, INC. 2021 Clean Energy Implementation Plan

Docket UE-210795

PREFILED RESPONSE TESTIMONY (NONCONFIDENTIAL) OF MARIEL THURAISINGHAM

ON BEHALF OF NW ENERGY COALITION AND FRONT AND CENTERED

OCTOBER 10, 2022

NW ENERGY COALITION AND FRONT AND CENTERED

PREFILED RESPONSE TESTIMONY (NONCONFIDENTIAL) OF MARIEL THURAISINGHAM

CONTENTS

LIST OF EXHIBITS	i
INTRODUCTION	1
INTRODUCTION	1
ANALYSIS	3
CETA's Equity Mandate and PSE's CEIP	3
CONCLUSION	. 18

NW ENERGY COALITION AND FRONT AND CENTERED

PREFILED RESPONSE TESTIMONY (NONCONFIDENTIAL) OF MARIEL THURAISINGHAM

LIST OF EXHIBITS

Exh. MFT-2 Professional Qualifications for Mariel Thurs	huraisingham
---	--------------

Exh. MFT-3 List of Front and Centered Coalition Members

3

4

5

6

7

A.

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

INTRODUCTION

- Q. Please state your name, title, and business address.
- A. My name is Mariel Thuraisingham. I am the Clean Energy Policy Lead at Front and Centered. My business address is Front and Centered, 1501 East Madison Street, Suite 250, Seattle, WA 98122.
- Q. Please describe your background and experience.
 - I have advocated for the interests of Front and Centered Coalition members and their communities in energy regulation since 2019. I have a B.A. in International Studies from the University of Chicago and a J.D. from University of Columbia School of Law. Prior to working in environmental justice, I have been a human rights educator and international development professional specialized in rule of law and justice sector strengthening. My focus was on legal education and capacity-building for community-led governance, including providing research and resource services for traditional legal systems in Mali, women's rights groups in Afghanistan, pro bono lawyers' associations in Burma (Myanmar), and other community-based organizations world-wide. As Clean Energy Policy Lead with Front and Centered, I support our communities-of-color-led climate justice coalition to advance a just and equitable transition from an extractive and carbon fuel-heavy market-led energy economy to a regenerative energy system that centers community well-being over corporate interests.
- Q. Have you provided testimony before the Washington Utilities and Transportation **Commission before?**
- No. This is my first time providing written testimony before the UTC. A.

 A.

Q. On whose behalf are you appearing in this proceeding?

- A. I am testifying on behalf of Front and Centered¹ and NWEC. Front and Centered is a coalition of organizations led by and serving communities of color in Washington in the interest of advancing climate justice. Our diverse and growing membership includes the organizations listed in Exh. MFT-3. Together, and with key partners, our coalition actively works towards the vision for a Just Transition in Washington State.²
- Q. How has Front and Centered advocated for an equitable transition to 100% clean energy?
 - Front and Centered has been involved in the Washington Clean Energy Transformation

 Act ("CETA") since its earliest days, as a part of our climate justice advocacy that puts
 people first to achieve sustainable, community-led economic systems. Our previous
 participation in supporting CETA rulemaking and utility planning and compliance has
 spoken to the procedural and distributional justice opportunities for an equitable
 transition. We supported the idea of equity advisory groups which were mandated for
 investor-owned utilities ("IOUs") though ultimately not ordered at the state level. We
 supported the application of the DOH Cumulative Impact Assessment, utilizing the
 Environmental Health Disparities Map, for utilities to better understand and identify areas
 for benefits distribution and burden reduction planning. In addition to mapping tools, we
 proposed frameworks for laying out the opportunities for distributional justice in
 complying with the equity mandate. These frameworks included sequential impact

¹ See Front and Centered, https://frontandcentered.org/.

² See Front and Centered, Accelerating a Just Transition in Washington State, https://frontandcentered.org/accelerating-a-just-transition-in-wa-state/.

1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
	ı

analysis regarding what utilities do, who is impacted by them, and how, as well as an iterative model prioritizing restorative justice, meaningful participation, adequate reporting, and accountability mechanisms in the transition.

Q. What is the purpose and summary of your testimony?

A. My testimony addresses the need for Puget Sound Energy to facilitate an equitable transition to servicing its customers with non-emitting electricity in compliance with CETA. Specifically, my testimony points out how as a whole and in specific areas the company's transition planning, as put forward in their proposed Clean Energy Implementation Plan ("CEIP"), is insufficient to reach the standard for achieving an equitable distribution of benefits and reduction of burdens for customers, highly impacted communities, and vulnerable populations impacted by its resource management operations.

ANALYSIS

CETA's Equity Mandate and PSE's CEIP

Q. What does "equity" mean in the context of CETA?

A. CETA calls for the "equitable distribution of energy and nonenergy benefits and reduction of burdens to vulnerable populations and highly impacted communities." The UTC has defined "equitable distribution" as "a fair and just, but not necessarily equal, allocation of benefits and burdens from the utility's transition to clean energy," noting that "[e]quitable distribution is based on disparities in current conditions." WAC 480-100-605.

In other words, equity is about equality of outcomes, rather than equality of inputs. "Equitable distribution" requires prioritizing the most vulnerable populations and

overburdened communities with the goal of placing communities that have been disproportionately burdened on equal footing with more advantaged communities. For example, as our expert Roger Colton will explain, with respect to energy efficiency investments, equitable distribution does not mean spending the same amount of program money on every household; rather, equitable distribution requires spending more on houses in low-income neighborhoods with older and less weatherized housing stock that cost more to make efficient (as just one example). At the same time, in addition to incorporating equity into decisions regarding how much is spent and where, equitable distribution requires that that the benefits are actually effective at reducing the particular disparities burdening highly impacted and vulnerable populations with respect to energy. The Front and Centered coalition and other stakeholders advocated for CETA to include this equity mandate because an outcome orientation is fundamental to truly equitable processes.

To demonstrate compliance with CETA's equity mandate, PSE must undertake sufficient planning for how it will achieve equitable outcomes and must show lasting equitable outcomes. Identifying and acknowledging existing disparities, developing a framework for equity data collection and management, building equity outcome orientation into planning (e.g., IRP assessment), establishing baseline data and tracking changes, and striving for high standards of performance on reducing disparities are expected of CETA-compliant utilities. Complying with CETA's equity mandate also requires utilities to adopt an equitable outcome orientation in decisions related to spending, program design and delivery, service delivery, and long-term capital planning.

13

14

15

16

17

18

19

Change required for a transition from a GHG-emitting electricity system to a

Q. What does a just transition in the electric sector look like?

A. Any transition suggests a change in situation, and the transition mandated by the Legislature with CETA specifically requires a change in actions and outcomes.

Extractive practices have historically been and remain the norm for how utilities operate on a number of levels, from how the natural environment is exploited for materials to the labor practices employed to carry it out. Utilities currently control resource management for the supply of energy to use where we live, gather, work, and move.

³ See Wash. State Dep't Health, Washington Environmental Health Disparities Map, https://doh.wa.gov/data-and-statistical-reports/washington-tracking-network-wtn/washington-environmental-health-disparities-map; RCW 43.70.815; Univ. of Wash. Dep't of Env't & Occupational Health Sciences, Washington Environmental Health Disparities Map (July 2022), https://deohs.washington.edu/sites/default/files/2022-08/311-011-EHD-Map-Tech-Report.pdf (report on EHD Mapping Tool version 2.0).

A just transition requires utilities to start operating differently—better—to orient their structures, values, protocols, practices, priorities, and resources to anchor their identity and behavior in community well-being. "Just transition" refers to a shift in the economic system from an extractive system to a living, regenerative, equitable system of resource management for social and environmental well-being. When the just transition framework is applied to the energy system, it is clear that building community power to support just solutions to systemic frailties must happen in tandem with transforming the utility sector. Planning and acting with an equity lens means placing more weight on transparency, inclusivity, restoration, and community well-being, rather than the utility's power and profit interests. Throughout CETA's life, Front and Centered has advocated for this legislation to be a powerful force for climate, the environment, public health, well-being, and transformation of the energy sector to a system that builds and shares power with community.

Ultimately the goal for a just utility transition is for the energy system to be rebuilt on relationships and trust between utilities and the communities they serve and impact. Utilities with the authority and power are held to the responsibility to identify harms and opportunities, and to use any means to reduce the harms and direct the opportunities to just outcomes. Impacted communities with the knowledge, will, and justice orientation consolidate our collective power to stop the bad and build the new, key foundational features of a just transition.

There is an opportunity with this CEIP for the company to be better. PSE can center people over profits, support inclusive project planning and design, shift power to communities, broaden engagement in equitable decision-making processes, appropriately

A.

direct concrete customer benefits to highly-impacted communities and vulnerable populations, recognize and mitigate the ways that the company's operations are burdensome for communities within and beyond the service area, take urgent action to counter environmental and social harms as an internal imperative, and support a vision for a just and democratic energy future.

Q. How should PSE's CEIP equitably distribute benefits and reduce burdens?

The company puts forward this CEIP and is a key actor in CETA implementation because of the monopolistic control it has over electricity utility services for a large number of residents and users in Washington. What PSE owns, manages, and can direct resources to—particularly monetary resources—comprises the scope of its potential to alter its impact over the social and economic environments it influences. Where PSE directs its assets is a key component of the just energy transition that is central to clean energy planning under CETA. As set forth in the response testimony of Roger Colton and Scott Reeves, PSE can—and should—better direct its funding on energy efficiency, distributed energy resources ("DER"), demand response ("DR"), and other programs to reduce disparities.

PSE's CEIP must also seize this opportunity to meaningfully empower the communities most impacted by PSE's actions. As set forth in the testimony of Lauren McCloy, PSE can and should make significant improvements to its public participation plan.

A.

Q. In what ways does PSE's CEIP impact people?

Access to energy, affordability, health and safety, resiliency and security, economic opportunity, and the power of communities to influence the authority of Washington's largest investor-owned utility are significantly wrapped up in PSE's proposal.

Every feature of PSE's operational portfolio impacts customers, communities, company and contracted workforce, leadership, owners, and stakeholders with any interest in keeping our environment livable and our lives meaningful.

At the most basic level, energy users are people. The energy grid allows most Washingtonians to use electric lights, stay warm indoors, use hot water, and otherwise inhabit spaces and occupations enabled by the use of appliances, devices, machines, and infrastructure tied to the electricity that powers them. PSE's plans for how to reduce demand by investing in energy efficiency and demand response programs impacts those energy users.

But where PSE's energy comes from also impacts Washingtonians—but not all equally. As a result of historic and persistent institutional racism and systemic inequity and disinvestment, communities of color and Indigenous people are disproportionately impacted by air pollution and other environmental harms, are disproportionately vulnerable to the worst impacts of climate change, and seldom reap their fair share of benefits from utility investments.

- Q. What are the most pressing environmental and social impacts of PSE's energy services on customers and communities?
- **A.** There are disparities in how electricity users access services. The cost of access is burdensome for some customers with low and limited incomes (households at or below

200% of the federal poverty level, or at or below 80% of the local area median income), who spend a larger percentage of their income on energy bills ("energy burden"), or in residences with poor insulation or efficiency quality. Access to beneficial utility programs (e.g., bill assistance, weatherization, efficiency, rate adjustments) and technologies (e.g., efficient appliances, heat pumps) is limited for some users due to extensive process and other barriers—like language, education levels, location, wait times, and availability. And there are disparities in how people experience the circumstances of being dependent on energy (e.g., heat disparities and increasing reliance on cooling technology for comfort, or health impacts of proximity to pollutants from industry and infrastructure and extreme weather events due to the climate crisis). These disparities track closely with socioeconomic characteristics, where people of color, low-income and people with disabilities, and communities at the frontline of the most severe environmental crises are the worst off in experiencing the harms of system management and in access to energy benefits.

- Q. How can utility customers and communities hold PSE accountable for equitable operations?
- A. First, PSE's planning processes must become more inclusive. PSE's operations will never be equitable if customers and communities have no power to influence company policies and practices. In general, PSE has many different planning processes with limited opportunities for inclusive participation. UTC adjudications are a highly formalized process. The company supported the Commission's participatory funding order to allow for utility funds to be directed to intervenors with need, including organizations representing the interests of prioritized, overburdened, and underrepresented

communities. However, intervention in UTC proceedings is highly resource-intensive and largely inaccessible to members of the public, and a poor substitute for more inclusive planning processes that allow directly impacted people to be involved.

Utility planning processes do not leave much room for community engagement. When a formal plan is required for filing and/or approval by the Commission, the processes are spelled out in the requirement. The resource, clean energy, capital, communications, and public participation plans (or whichever other type of plan is required), will be written out in four corners and subject to a review process, multiple drafts, and, usually, some sort of externally confirmed finality.

It is possible for a member of the public to find any plan after it has been filed in a public docket, but unlikely that the company will advertise the plan in any way while it is still in development unless under order to do so. Community organizations are interested in understanding and supporting company initiatives to reduce monetary and other costs of energy provision, diversify the workforce, support service projects, reduce carbon emissions, encourage efficiency and conservation measures, maintain and upgrade infrastructure and facilities, diversify the grid, support innovation in energy technology, improve customer service, partner with diverse contractors and vendors, and other initiatives. But opportunities to engage typically only come up when the design is fully baked. Even for the company's EAG, the group was rigorously engaged in the initial CETA CEIP development process and largely shut out of the ongoing development after PSE filed a draft of the plan. Limited opportunities to meaningfully engage in planning and affect the outcome of the planning limits community interest in participation, trust in

utilities, and ultimately will limit how invested communities participate in the resulting implementation/execution strategies.

Second, transparency is critical to building customer capacity to influence company policies and practices.

Front and Centered members and other organizations concerned with the impacts of the COVID pandemic on community well-being quickly found that there is a dearth of basic information available for public consumption about those impacts on services critical to day-to-day life. With the U-200281 COVID relief docket, the Commission ordered IOUs to, for a limited time, report information about payments, disconnections, fees, arrearages, and related company data on customer experiences with keeping up with the rising costs of home energy. This order, including restrictions on company collections practices, was largely the result of fierce advocacy by concerned stakeholders. There is very little that the company does, or that the company shares, outside of being directed through the statutory and regulatory order to do so.

There is very much that the company knows about customers and operational impacts that is not available publicly, let alone made available through accessible and language appropriate channels. The wealth of information made available to parties through the discovery process in adjudicated matters, but which is not otherwise publicly available, confirms as much. Members and former members of PSE's Equity Advisory Group have noted that the selective and curated nature of how information is shared with the group and with the public is challenging for well-informed dialogue and group work on advisory responsibilities.

A.

Greater transparency about how the company makes and executes decisions and understands customer experiences will significantly boost the opportunity for customers and communities to hold the company accountable to a higher standard for addressing gross disparities in sector impacts.

Q. Why should PSE rethink its framework for community engagement?

There is little dispute that community engagement is an asset to any process that relates to community health. But utilities and the public do not share the same goals for community engagement, and therefore have diverging views about what community engagement should look like, based on their respective priorities. PSE and other utilities are subject to different requirements for promoting and securing participation in planning and programs, such as the rules for public participation in CEIP development for IOUs.

See WAC 480-100-655. Following these requirements to demonstrate compliance is a utility priority. But a public participant's priority is being heard and actually influencing decision-making to improve outcomes in their interest. Aligning priorities is worth the time and effort for utilities.

With opportunities to hear from the public through outreach and engagement strategies, community partners, advisory groups, and access to media publicly generated by concerned customers and interest groups, PSE can work towards hearing and understanding communities, acknowledging community concerns and existing disparities, and aligning PSE's priorities with those of the communities impacted by PSE's work. Setting up a framework for engagement, assessing competing interests, and applying learning to action for all significant decisions will allow the company to operate better and more in sync with impacted communities.

Planning and program design with significant investment, livelihoods, and community well-being at stake cannot entirely take place in a boardroom, thinktank, or other silo where the purported experts at PSE are distanced from the impacts on the public and on communities of the company's plans and program implementation.

Developing appropriate performance measurement frameworks, particularly for outcomes that are intended for a specific group, such as highest priority highly-impacted communities and well-defined vulnerable populations, must include input from that group on the front end. (See the response testimony of Amy Wheeless⁴ and Ron Binz,⁵ on behalf of NW Energy Coalition, Front and Centered, and Sierra Club filed in PSE's general rate case (docket UE-220066/UG-220067), as well as the response testimony filed in this docket by Lauren McCloy setting forth recommendations for PSE to improve its public participation plan and community engagement strategy.)

- Q. Is the company's CEIP promoting an equitable distribution of energy service benefits through its programs?
- A. No. PSE has more work to do to ensure its actions promote a truly equitable distribution of energy and non-energy benefits. PSE needs to reframe its approach in its CEIP around three principles: (1) restorative justice; (2) reporting, accountability, and enforcement; and (3) governance and power shifting.

⁴ Prefiled Response Testimony (Nonconfidential) of Amy E. Wheeless, 220066-67-NWEC-Exh-AEW-1T-7-28-22.

⁵ Prefiled Response Testimony (Nonconfidential) of Ronald J. Binz, 220066-67-NWEC-Exh-RJB-1T-7-28-22.

First, to be able to align its actions with restorative justice principles, PSE needs to understand how its actions impact named communities. PSE needs to develop thorough baseline data to understand the inequities in its existing programs, systems, and actions. This baseline data cannot simply group all named communities together. Instead, PSE must examine how its actions and programs impact customers across each of the different factors that contribute to a community's designation as highly impacted or vulnerable. PSE must also examine how these factors interact to compound vulnerabilities. PSE must then work in partnership with each individual community to plan actions that provide benefits and reduce the burdens that are specific to that community. PSE's CEIP falls short because it does not include baseline data (or plans to gather it going forward) that is sufficiently granular. Instead, the data and PSE's planned metrics lump all named communities together. Similarly, PSE's proposed actions in the CEIP are not targeted to the specific factors that make individual communities vulnerable or highly impacted. I recommend that the Commission direct PSE to report regularly on more granular data and to engage communities to develop specific actions that are tailored to each community's individual needs and burdens.

Second, PSE's CEIP must include concrete provisions for reporting, accountability, and enforcement. PSE needs to show how each of its programs and actions will be equitably implemented. This commitment to equity in each of its programs needs to be public, measurable, and clear. These conditions will help allow PSE to hold itself accountable to the communities it serves, because members of the community will be able to track PSE's progress and call the utility to account if it fails to make sufficient progress. PSE's CEIP falls short because many programs do not include

any measurable or clear goals for equitable implementation. Without such goals, it will be far more difficult for PSE to be accountable to the communities it serves. In this proceeding, I recommend that the Commission direct PSE to dedicate a percentage of the energy benefits of each of its DER programs to named communities. Additionally, PSE must designate a percentage of the energy benefits of its DER programs to the sub-groups of named communities that are hardest to reach and most vulnerable. While this is just a first step in promoting equity across all of PSE's programs and actions, it will create clear and measurable goals that direct benefits to named communities and allow for public accountability.

Third, PSE must shift to a model that empowers communities in process and outcomes. In process, PSE must shift power to the communities it serves by transferring meaningful decision-making authority to the community over actions that occur in and impact that community. In outcomes, PSE must create opportunities for communities to own and control generation and resources in their communities. PSE's CEIP falls short in several ways. The CEIP does not include any specific actions—instead it only includes generic concepts—and it does not include a process for community members to have a meaningful voice as the specific actions for their individual communities are selected from these generic concepts. The CEIP also falls short by designating a leasing program as one of the only actions specifically targeted to named communities. The solar rooftop leasing program does not lead to community ownership and control of resources; instead, ownership and control live with the utility. I recommend that the Commission direct PSE to develop a public participation plan that engages named communities. I also recommend

A.

that the Commission direct PSE to eliminate the rooftop solar leasing program from the CEIP specific actions, and to substitute increased investment in DER programs targeted to named communities that result in community ownership and control, including community solar, multi-family solar, and solar plus storage programs.

- Q. How can the PSE Clean Energy Team better work with the Equity Advisory Group for effective transition planning and equitable utility compliance?
 - Advisory group input should be taken into account in PSE's clean energy planning because it is mandated (*see* WAC 480-100-655) and because it is wise. The benefits of working with a community- and customer-based advisory group, like the Equity Advisory Group ("EAG"), is a direct line to the expertise in lived experience and social values that do not feature in most areas of professional engagement by technical staff and leadership. As a member of PSE's EAG in its first year, I participated in the meetings and group work to help define impacts, benefits, burdens, and clean transition priorities for meeting the equitable distribution directive. The group included representatives of diverse organizations in PSE's service area with an interest in clean energy access and affordability for underserved and historically marginalized customer communities. And over the course of the ten meetings that took place before the submission of the final CEIP, participants contributed to the body of knowledge that we were told would inform the development of Customer Benefit Indicators and action planning to meet the CETA targets.

Due to the learning curve of working with a newly formed group which needed to be brought up to speed on CETA, as well as limited time for education and relationshipbuilding among group members, the EAG operated on information from PSE that was

favorable to a narrow set of pre-determined planning preferences. We were in a position to react to more so than to generate solutions, and without much understanding of where these proposed solutions were coming from. There was a missed opportunity for the EAG to influence decision-making and effect systemic change which was felt by myself and a number of other EAG participants, both with respect to CEIP development and the potential for impacting equity considerations in other areas of utility operations.

The company must do a better job acting upon advisory group input about group members' respective equity interests. When I was a participant and group members proposed reasonable ideas for a just transition, including setting compliance goals of energy burden elimination and full customer and community ownership of distributed resources, it felt like the ideas fell into a void. I was not alone in feeling frustrated about a lack of direct engagement by PSE on how the company could, through CETA planning and implementation, deal a significant blow to the inequities of the current system. EAG members raised concerns about rising costs of services impacting fixed income households disproportionately, misinformation about gas being a clean power source, siting undesirable facilities in neighborhoods with higher concentrations of low-income residences and people of color, and clean energy programs targeted to landlords and property owners with no clear benefit to residents, among others, reflecting a strong desire in the group to support utility practices that empower and protect customers and communities first.

PSE should be learning from this input and incorporating a stronger nexus between company culture and stakeholder contributions into its planning practices to make the most of PSE's work with the EAG and community-based equity interest groups.

The company is in a position to dedicate resources, including independent technical support, to group work to envision how solutions to scarcity, cost burden, insecurity, lack of access, and distrust could play out. There are innumerable benefits to the clean energy transition provided by advisory group and community input in planning that is well-informed, influential, proactive, brought into complex and systemic planning, not limited by hardwired budget ceilings or profit fixations, and continuously sought and valued. A just transition to 100% clean, non-emitting and renewable electricity in Washington will only succeed and be sustained with meaningful engagement of the expertise of stakeholders who are forcing the issue to align technical and technological deliverables with the prioritized interests of named communities.

CONCLUSION

- Q. Does this conclude your testimony?
- **A.** Yes, it does.