

**EXH. AJP-5  
DOCKET UE-210795  
PSE'S CEIP  
WITNESS: AUSTIN J. PHILLIPS**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of**

**PUGET SOUND ENERGY**

**Clean Energy Implementation Plan  
Pursuant to WAC 480-100-640**

**Docket UE-210795**

**FOURTH EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED DIRECT TESTIMONY OF**

**AUSTIN J. PHILLIPS**

**ON BEHALF OF PUGET SOUND ENERGY**

**DECEMBER 12, 2022**

# Puget Sound Energy Equity Advisory Group Meeting #5

## Meeting Summary

Monday, June 21<sup>st</sup>, 2021 | 4 – 7 p.m.

### Meeting purpose & topics

The meeting purpose was to:

- Seek Equity Advisory Group (EAG) member feedback on draft customer benefit indicators and weightings.
- Achieve a shared understanding of next steps in developing the draft Clean Energy Implementation Plan (CEIP)
- Reflect on how EAG input was incorporated into vulnerable populations' definition.

The EAG meeting was held as an online only meeting and took place from 4 – 7 p.m. It was divided into sections as follows:

1. **Opening:** 4 – 4:15 p.m.
  - a. Welcome and safety moment
  - b. Goals for EAG #5
  - c. Icebreaker
2. **Draft customer benefit indicators:** 4:15 – 5:00 p.m.
  - a. Refresher on CBIs
  - b. Reflect on feedback heard on customer benefits from public participation process
  - c. Discuss draft CBI's
3. **Break:** 5:00 – 5:10 PM.
4. **Draft CBI weightings:** 5:10 – 6:05 p.m.
  - a. Reflect on feedback heard
  - b. Discuss draft weightings and how CBIs will be used for CEIP
5. **Next steps for CEIP development:** 6:05 – 6:15 p.m.
6. **Reflecting EAG input into vulnerable populations definition:** 6:15 – 6:45 p.m.
7. **Observer Comment:** 6:45 – 6:55 p.m.
8. **Wrap up, next meeting date, adjourn:** 6:55 – 7 p.m.

[The full meeting packet can be found online \(link\).](#)

## Meeting action items

Below is a summary of the action items from the June 21, 2021 Equity Advisory Group meeting.

What	Who	When
Integrate EAG feedback to draft CBIs	PSE	By 7/26

## Meeting summary

### Opening

#### Opening remarks

Rose McKinney-James, Advocacy BL/ACK, introduced herself as the facilitator and welcomed the EAG members, presenters, and those observing via YouTube. See Attachment A at the bottom of this document for a list of participants in attendance.

Dennis Suarez, EAG member, provided a safety moment regarding airport and airplane safety.

Rose asked EAG members how they would like to be engaged in the low-income rate-design meetings. One option was to attend as a group and expand the EAG's scope of involvement or for EAG members to attend individually. Several EAG members commented that timing could be an issue since it is held during the day, and another suggested that all EAG members be informed of the meetings so they can opt-in. Another EAG member commented that members would have to be given a lot of background information and training to adequately participate. Rose acknowledged that training EAG members would be necessary.

#### Meeting logistics and agenda

Rose reviewed the following:

- **Zoom logistics:** Logistics of using the Zoom platform.
- **Observer and public comments:** Observers/public are watching via a YouTube live stream and will have an opportunity to provide public comment at the end of the meeting.
- **Agenda and goals:** Agenda and goals for the meeting.

**Icebreaker:**

EAG members were split off into breakout groups for the icebreaker exercise. EAG members were asked to share the story behind their name.

**Presentation**

**Draft Customer Benefit Indicators (CBIs)**

Rose welcomed Brian Tyson, Manager of the Clean Energy Planning and Implementation, PSE, to present on the draft CBIs and explained the participation objectives:

- CBI refresher
- Reflect on customer benefits feedback from the public participation process
- Share draft CBIs
- EAG provides feedback on draft CBIs

Brian explained that all customers should benefit from the transition to clean energy. Brian reviewed the framework PSE is using when considering customer benefit indicators and noted how the CEIP rules identify the categories that PSE must focus on when creating CBIs.

Diann Strom reviewed the general customer and business survey results. PSE conducted an informal community survey to gather input from residential and business customers and other community stakeholders to get as much input on clean electricity values and benefits as we could within our timeframe, and include the voices of vulnerable communities. In addition to the survey, PSE met with PSE's four advisory groups (e.g., Equity Advisory Group, Low Income Advisory Committee, Conservation Resources Advisory Group, and IRP stakeholders), and met with five community-based organizations to get their input on clean energy values and benefits.

Tying the survey back to the framework PSE is using for customer benefit indicators, survey respondents were asked about the challenges their communities face today, the benefits they see with clean electricity, and the potential challenges related to the transition to clean electricity.

- The four most common challenges reported by respondents relate to affordability and environmental impacts:
  - Affordable housing
  - High cost of living
  - Climate change
  - Environmental pollution
- The top three clean electricity benefits identified across all audiences were:
  - Environment
  - Public Health
  - Affordability

- When considering the transition to clean electricity, the most common challenges concerning respondents were:
  - Costs and potential bill increases
  - Potential environmental impact of source material for clean energy technology
  - Dependability of variable clean electricity sources like wind and solar
  - Construction impacts for new electric infrastructure

Brian explained how PSE synthesized customer and stakeholder input to develop the draft CBIs. Brian explained how comments were coded and how linkages were developed by defining weightings and indicators. He shared the draft CBIs onscreen, and asked that EAG members view these CBIs through an equity lens. The draft CBIs were also available in a [customer benefit indicator handout](#).

One EAG member asked how the information about CBIs would be communicated to a customer in a way that they can understand and how much time members would have to share this information. Brian acknowledged that the information presented was high level and that conveying this information would take ongoing conversations with customers. CBIs are intended help PSE prioritize clean energy investments; this list will evolve over time and will be used as foundational work.

One EAG member commented that they would like to know the broader plan for clean energy since PSE is conducting other activities such as drilling for oil that seem to contradict the Clean Energy Implementation Plan (CEIP). Rose responded that although this is not specifically relevant to the EAG, it is a valid concern.

### ***Discussion: Draft CBIs***

EAG members were then given the opportunity to reflect on feedback heard and discuss the draft CBIs and how they will be used for the Clean Energy Implementation Plan (CEIP). They expressed their thoughts using an online tool called MentiMeter. Please see Attachment B at the end of this document to view full list of comments.

A summary of the discussion:

- How will the new rates benefit those who pay rent? How will customers benefit if they are not able to open a PSE account by themselves?
  - Brian responded that there might be a gap in identifying certain customers, such as those who do not have a PSE account. Getting data on customers is a challenge that has been identified.
- Outreach and education
  - There should be an increase in education about clean energy on a broad scale so that all PSE customers can be educated.
- Burden elimination versus burden reduction

- Can PSE create programs where clients that are burdened could own solar panels and potentially sell electricity so that there are benefits to supporting clean energy?
- Creating a sense of pride for customers in choosing green energy programs.
  - Can PSE make it so being able to participate in green energy programs is not dependent on having disposable income?
- Framing the notion of “improved sense of self-sufficiency.”
  - Landlords could potentially be a target for creating buy-in with properties that they own.
  - Creating a sense of pride in shared values and cultural pride.
  - Ownership is part of the benefit, along with local generation and local self-reliance.
  - Gather perception data is important but must be supported by more objective factors like good-feeling indicators.
- Three “under consideration” customer benefits.
  - No one vocalized a desire to eliminate these, as there may be value in the ideas but they need more refinement.

## **Presentation**

### **Draft CBI weightings**

Brian reviewed PSE’s methodology for using the CBIs to help shape the CEIP’s programs investments. Work continues on identifying the specific metrics and data sets that PSE will use to measure each CBI, and Brian welcomed stakeholder input. Brian noted that PSE has hired DNV GL as a third-party to help identify metrics.

Brian clarified how weighting worked and emphasized that the numbers on the table displayed on the Sample Scorecard (slide 29) are examples of outcomes that PSE is trying to achieve. EAG members were asked to focus more on the priority and indicate which CBI deserves the most weight or focus.

Brian explained that the information came from a broad demographic of stakeholders and customers and asked EAG members to point out areas that should be revisited. EAG members made the following comments on the draft weightings:

- Some members questioned whether to combine some of the CBIs as they seem to overlap (e.g., Environment’s reduction of climate change impacts and reduced of greenhouse gas emissions). However, others noted that the CBIs are measured differently.
- PSE should engage marginalized communities in programs that work for them.

- Reducing climate change impacts should have higher priority due to the vulnerability of BIPOC and marginalized communities who are often the first ones to suffer negative climate change impacts.
- How does PSE distinguish between affordability and reduced cost impacts?
  - Brian responded that this comes down to who is being measured as it relates to a specific indicator.
- Overall, these are the correct priorities, though some could be combined. EAG members were unsure if they were weighted correctly.

### ***Next Steps for CEIP Development***

Brian explained the next steps for CEIP development (summarized on slide 32). Brian noted that traditionally energy resource planning considered the lowest reasonable cost to make resource decisions. Now with CETA, PSE considers customer benefit indicators, the resource lowest reasonable cost, CETA Megawatt – hour (MWh) needs, and resource adequacy. Once combined, CEIP programs and actions would be drafted.

At the next EAG meeting, PSE will present draft programs and actions based on CBIs discussed today. Brian requested that EAG members send comments regarding how PSE could weight CBIs differently.

### ***Presentation***

#### ***Reflecting EAG Input into vulnerable populations definition.***

Rose introduced Michael Wehling, PSE Senior Market Analyst. Michael updated the group on how he had incorporated their ideas around vulnerable populations to develop a refined list of vulnerable populations factors that PSE will use for the CEIP and across PSE to inform implementation opportunities. He reviewed the list of factors identifying the data sources and scales, as well as those factors he will to continue to research. EAG members were asked to comment on whether PSE had missed anything regarding vulnerable population factors or metrics.

EAG members asked clarifying questions about where data came from on a spatial scale, as well as whether PSE considered immigrants. Michael explained what contributed to defining a vulnerable population as well as the various scales (e.g., county, Census tract, Census block group, and customer level). Michael noted that immigrants are usually identified through the race and linguistic isolation factors. When these two factors intersect, it is a good indicator that there is a presence of immigrant communities. PSE supplements that indication with qualitative information from their Customer Outreach Team about the location of community organizations supporting immigrants within PSE's service area.

Michael reviewed key takeaways on the Vulnerable Populations factors and acknowledged that there is some individual data on customers that might be masked by using larger scales.

### ***Observer comment***

Rose provided step-by-step instructions for how observers could join the meeting to provide verbal public comments. Observers could also leave written public comments by completing an online comment form at <https://cleanenergyplan.pse.com/equity-advisory-group> or emailing [ceip@pse.com](mailto:ceip@pse.com).

One observer joined the online meeting and provided verbal public comments. Below is a summary, but not a transcript of those comments:

One commenter stated concerns about the way the CEIP-hosted Integrated Resource Plan (IRP) stakeholder meeting was conducted. The commenter said PSE has resisted discussing natural gas, which the commenter found concerning, and expressed hopes that there is pressure from the EAG for natural gas to be discussed in the future.

Rose concluded the meeting by thanking EAG members, presenters, and observers. Diann reminded EAG members of the date for the **next EAG meeting on Monday, July 26, 2021**, from 4 – 7 p.m.

EAG meeting materials and details will be available at [cleanenergyplan.pse.com](https://cleanenergyplan.pse.com).

*The meeting officially adjourned at 7 p.m.*

## **Attachment A: Meeting attendees**

### ***Equity Advisory Group (EAG) members***

1. Susana Bailén Acevedo, Community advocate
2. Jenny Harding, GSBA and New Chapter Weddings and Events (*not present*)
3. Emily Larson Kubiak, Sustainable Connections
4. Michele Ogden, Tacoma Urban League (*not present*)
5. Estela Ortega, El Centro de la Raza
6. TJ Protho, Vadis
7. Kate Sander, HopeSource
8. John Sternlicht, Economic Development of Alliance of Skagit County
9. Dennis Suarez, Washington Soldiers Home
10. Teresa Taylor, Lummi Indian Business Council's Office of Economic Policy
11. Mariel Thuraingham, Front and Centered
12. Cheryn Weiser, Island Senior Resources (*not present*)
13. Karia Wong, CISC

### ***Puget Sound Energy (PSE)***

1. Ben Farrow, Director, Clean Energy Strategy
2. Wendy Gerlitz, State and Regional Policy Consultant
3. Diann Strom, Strategic Engagement Lead
4. Brian Tyson, Manager, Clean Energy Planning and Implementation
5. Michael Wehling, Senior Market Analyst
6. Cassylee Mead, Communication Initiatives Program Manager

### ***Advocacy BL/ACK***

1. Rose McKinney-James, Managing Principal
2. Lauren Brooks, Partner and Project Coordinator

### ***Maul Foster & Alongi***

1. Seth Baker, Communications Specialist
2. Will Henderson, Communications Specialist

### ***Triangle Associates***

1. Lucila Gambino, Project Associate
2. Jacob Hibbeln, Project Coordinator

## Attachment B: MentiMeter Activity

### Feedback on draft customer benefit indicators (CBIs)

# Are there any indicators you disagree with, don't understand, or expected to see that are not on this list?



Would like more clarification about "self-sufficiency" and "resilience".	How to prioritize when benefits conflict (ie electric prices are currently higher than natural gas but natural gas has greater negative climate/indoor air quality impacts)?	Does the draft address resources for customers and low-income communities?
The CBIs are very comprehensive with regard to targeted groups and general consumer/business groups.	Cost reduction - is this a likely outcome? Or is it simply going to be a shifting of cost to other customers?	The indicators look good to me. However, want to clarify the definition of customer. Some people whose energy cost is included in the rent or they cannot open a PSE account for whatever reason, they may not consider themselves customers.
I have bigger questions about how whether or not these benefits are being achieved (and equitably) will be measured, and whether there will be consequences to not meeting them.	how do the goals of reducing green house gases and the following two bullets play out in programs to impact peoples lives	Expect to see: Energy usage for highly-burdened households (reduction), Collection activities for LI households (reduction), Air quality for HCs in proximity to generation/transmission/storage (improvement, even outside customer base)

# Are there any indicators you disagree with, don't understand, or expected to see that are not on this list?



Outreach and education in green energy and energy conservation.

Home comfort: include health and safety - ie indoor air quality

Will measurable goals be set around providing these benefits? What sort of process will be used to prioritize which ones become deliverables?

How will the most impacted communities be decided? Energy burden study?

I would love to see a conversation about burden elimination rather than simply burden reduction. Can PSE adopt a radical social justice policy in designing the transition in a way that may actually benefit typically marginalized low-income communiti

Self sufficiency; how about ownership? Expect to see community and customer participation in operational decisions about sourcing, transmission, storage siting (ie substations or emitting infrstre near residential areas and significant natural sites)

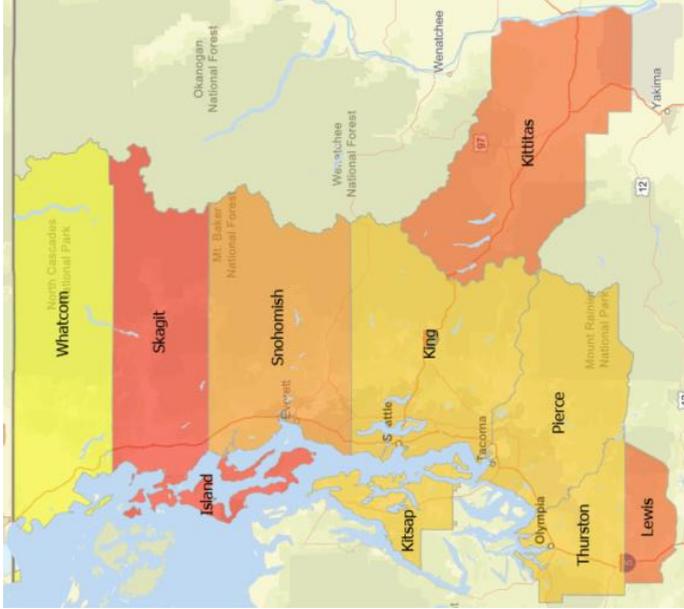
**Reflecting EAG input  
into vulnerable  
populations definition**



# Vulnerable Populations factors to metrics

Factors	Data Resource	Data Scale	Metric	Min Value	Max Value
Housing Burden	American Community Survey 2019	Block Group	Rent greater than 35% of Income	0.02	1
Poverty	American Community Survey 2019	Block Group	Percentage of population under 200% fpl	0.4	89.22
Unemployment	American Community Survey 2019	Block Group	Percent of block group receiving public assistance	0.002	0.278
Race (People of Color)	American Community Survey 2019	Block Group	Percent of block group identifying as BIPOC	0.001	0.94
Linguistic Isolation	American Community Survey 2019	Block Group	Percent of block group reporting limited English proficiency	0.29	47.59
Disability	American Community Survey 2019	Block Group	Percent of block group reporting disability	1.26	77.05
Arrearage/Disconnections	PSE Customer Data	Block Group	Count of customers in arrearage/disconnects per block group	-	-
Transportation Expense	American Community Survey 2019	Block Group	Proportion of travel time greater than 35 minutes Percentage taking public transportation	0.01 0.0005	1 0.57
Cardiovascular Disease	Washington State Department of Health	Tract	Death from Cardiovascular disease	1	10
Low Birth Weight Rates	Washington State Department of Health	Tract	Low Birth Weight Rates	1	10
Access to Food	USDA Food Access Research Atlas	Tract	Low income and low access to food flag	0	1
Access to Health Care	Washington State Department of Health	County	Percent of population with primary care provider	0.67	0.81
Higher rates of Hospitalization	Washington State Department of Health	County	Need to locate table	-	-
Renter vs. Owner	Purchased Market Data	Customer	Rent/Own/Unknown	-	-
Energy Burden	Multiple	Customer	Customers with estimated energy burden >= 6%	0.60	41312
Educational Attainment Level	Purchased Market Data	Customer	Less than diploma - - Graduate degree	-	-
Seniors with fixed income	Purchased Market Data	Customer	Customers over 60 at or below 80% AMI	-	-
Mental Health/Illness	TBD possibly CHARS		Need to locate a data resource		
Home Care	TBD		Need to locate a data resource		
Historical Red Line Influence	Seattle Civil Rights and Labor Project UW		Data resource documents historical patterns of exclusion that inform current population patterns		

# Vulnerable population factors at county scale



Access to health care

Residents having a primary care provider:

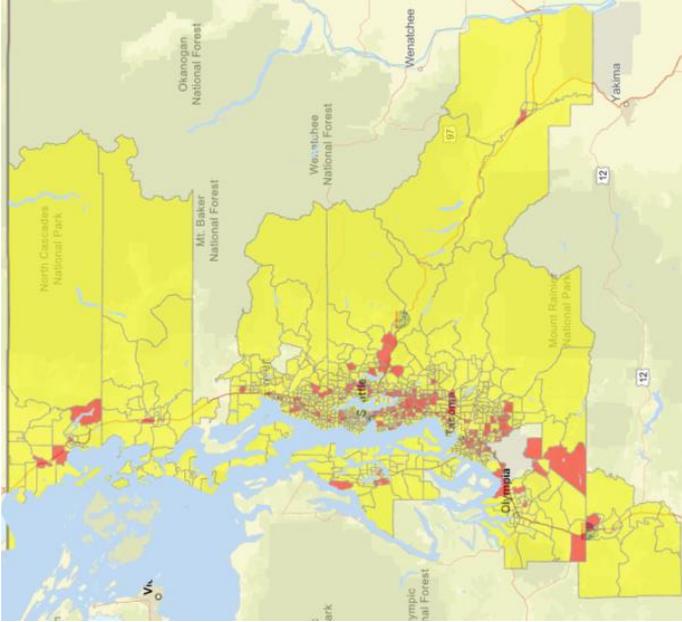
Skagit county reports 67%

Whatcom county reports 81%

Hospitalization rates are also measured at this scale



# Vulnerable population factors at Census Tract scale

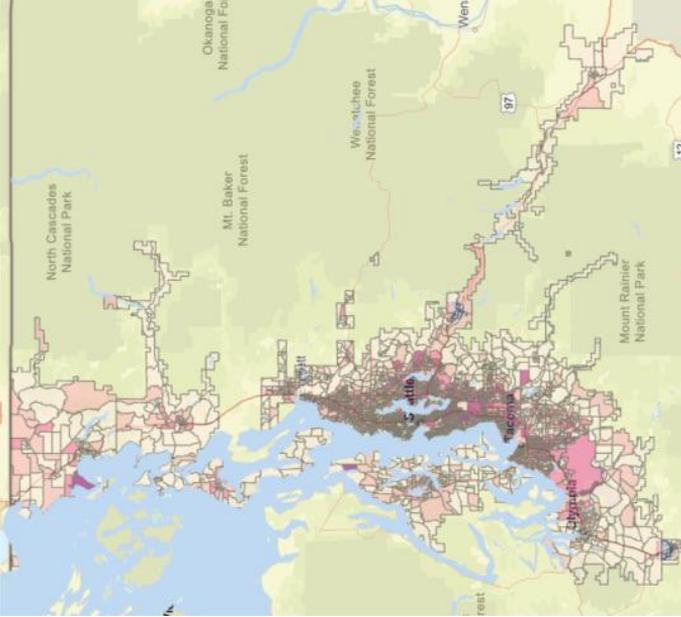


Low birth weight rates  
Tracts colored in red have higher rates of low birth rates compared to those in yellow

Also measures at this scale:  
Cardiovascular disease death rates  
Access to food



# Vulnerable population factors at Census Block Group Scale

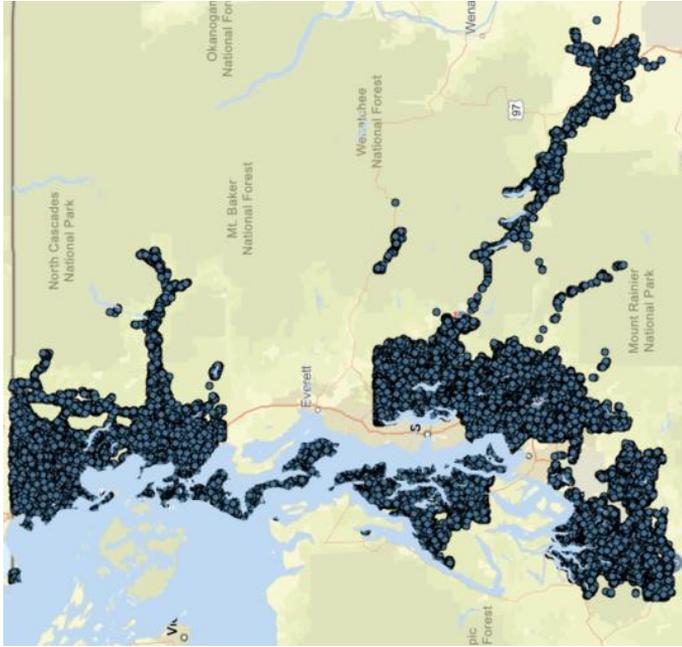


Population rates for people of color  
Tracts colored in purple have higher  
population rates for people of color than  
those in yellow

Also measures at this scale:

- Housing burden
- Poverty
- Unemployment
- Linguistic isolation
- Percentage of population with a disability
- Transportation expense

# Vulnerable population factors at the Customer Level



Data at the customer level:  
Arrearage/disconnection  
Request for translator

Estimated data:  
Renter/owner  
Educational attainment level  
Age  
Income  
Energy burden

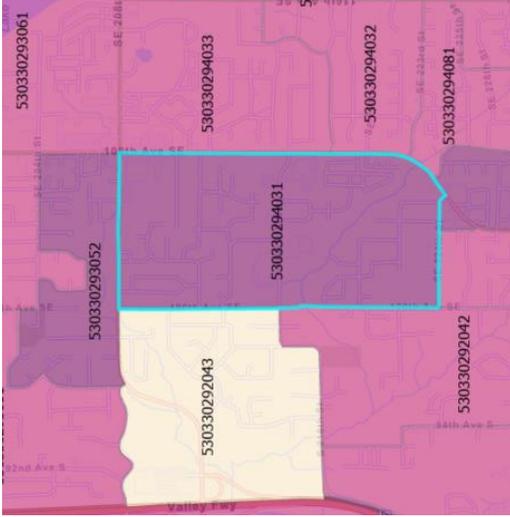
This map depicts individual customer locations. Individual data can be attributed to these points to identify individual vulnerable factors as listed above. In many cases it will be more useful to use counts of these factors at the block group level or density patterns to characterize a community.



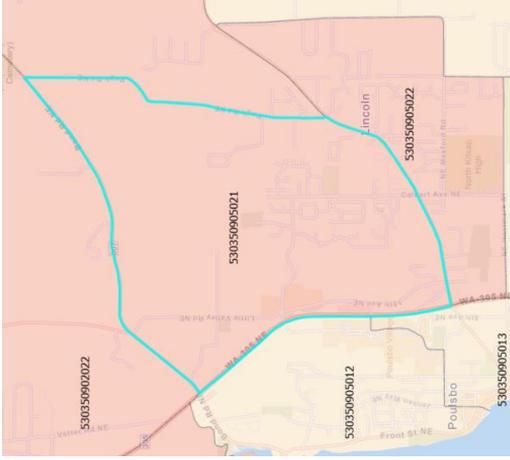
# Comparing two block groups on Vulnerable Population factors

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## Renton area



## Poulsbo area



# Comparing Two Block Groups on Vulnerability Factors

Factors	Metric	Renton Area	Poulsbo Area	Min Value	Max Value
Housing Burden	Rent greater than 35% of Income	0.37	0.43	0.02	1
Poverty	Percentage of population under 200% fpl	-	-	0.4	89.22
Unemployment	Percent of block group receiving public assistance	0.01	0.04	0.002	0.278
Race (People of Color)	Percent of block group identifying as BIPOC	0.67	0.21	0.001	0.94
Linguistic Isolation	Percent of block group reporting limited English proficiency	3.7	3.4	0.29	47.59
Disability	Percent of block group reporting disability	30	36	1.26	77.05
Arrearage/Disconnections	Count of customers in arrearage/disconnects per block group	-	-	-	-
Transportation Expense	Proportion of travel time greater than 35 minutes Percentage taking public transportation	6.1 0.29	5.6 .28	0.01 0.0005	1 0.57
Cardiovascular Disease	Death from Cardiovascular disease	4	0	1	10
Low Birth Weight Rates	Low Birth Weight Rates	8	8	1	10
Access to Food	Low income and low access to food flag	0	0	0	1
Access to Health Care	Percent of population with primary care provider	0.76	0.71	0.67	0.81
Higher rates of Hospitalization	Need to locate table			-	-
Renter vs. Owner	Rent/Own/Unknown	5%/81%/13%	11%/71%/18%	-	-
Energy Burden (estimated)	Customers with estimated energy burden >= 6%	25%	17%	0.60	41312
Educational Attainment Level	Less than diploma or High School diploma	44%	31%	-	-
Seniors with fixed income	Customers over 60 at or below 80% AML	170	100	-	-



## Key takeaways on Vulnerable Populations factors

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- Data to measure vulnerable factors is available in a variety of scales.
  - Spatial: County/Tract/Block Group/Customer
  - Numerical: different low and high starting/endpoints
- Census block groups are recommended as a starting place to organize data for assessing vulnerable populations.
  - Customer level data is private and utilities are legally required to protect that information.
  - Multiple publicly available data sets are available at this scale.
- Customer level data can be used to identify vulnerable customers that might be “hidden” by larger scale data.
- Customer level data can be “clustered” into patterns that are not bound by other boundaries like block groups or tracts.
- Data sets to measure factors may need additional work at this time to get the best available measure. Examples: poverty, unemployment, hospitalization rates