



U-210553

ATTORNEY GENERAL OF WASHINGTON

Public Counsel

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July 31, 2023

Received
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Jul 31, 2023

SENT VIA WUTC WEB PORTAL

Amanda Maxwell
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Re: *Relating to the Commission's examination of energy decarbonization impacts and pathways for electric and gas utilities to meet state emissions targets, Docket U-210553, Third Comments of Public Counsel*

Dear Director Maxwell:

The Public Counsel Unit of the Washington State Attorney General's Office (Public Counsel) respectfully submits these comments pursuant to the Washington Utilities and Transportation Commission's (UTC or Commission) May 31, 2023, Notice of Opportunity to File Written Comments on Decarbonization Pathways (Notice). The Notice relates to the Commission's examination of energy decarbonization impacts and pathways for electric and gas utilities to meet state emissions targets pursuant to Section 143(4) of the 2021–23 Omnibus Operating Appropriations Act (Appropriations Act), which provides funding to the Commission to “examine feasible and practical pathways for investor-owned electric and natural gas utilities to contribute their share to greenhouse gas emissions reductions as described in RCW 70A.45.020.”¹

The UTC retained Sustainability Solutions Group (SSG) to model scenarios for reducing emissions from the electric and natural gas sectors and support public engagement throughout the project.² SSG presented five scenarios for consideration: Business as Usual, Business as Planned, Electrification, Alternative Fuels, and Hybrid.³ The Notice states that SSG has created an interactive dashboard (dashboard) to share the data and modeling used in their analysis, and that the Commission seeks comments and feedback on the dashboard.

¹ S.B. 5092, § 143(4), 67th Leg., 2021 Regular Sess. (Wash. 2021).

² See Wash. Utils. & Transp. Comm'n, *Natural Gas Decarbonization*, <https://www.utc.wa.gov/decarbpathways> (last visited July 19, 2023).

³ See Sustainability Solutions Group, *Energy Decarbonization Pathways: Modelling Overview*, Wash. Utils. & Transp. Comm'n, <https://cis-community.ssg.coop/washington/overview> (last visited June 28, 2023). This link offers a more detailed explanation of these scenarios.

To: Amanda Maxwell, Executive Director & Secretary
Re: *Relating to the Commission's examination of energy decarbonization impacts and pathways for electric and gas utilities to meet state emissions targets*, Docket U-210553
Date: July 31, 2023
Page 2 of 7

Public Counsel has participated in this Docket since its inception by attending both the Decarbonization Advisory Group (DAG) and public facing meetings, as well as participating in opportunities for written comments. These remarks are an extension of Public Counsel's earlier comments filed in this Docket. Our comments first respond to the dashboard and then to the process and engagement in this Docket more generally.

Comments Regarding the SSG Dashboard

Public Counsel is concerned that the final opportunity for comments is limited to a dashboard highlighting the contents of a report, and not the report itself. Interested parties have repeatedly commented on the lack of transparency in this Docket and the insufficiency of commenting on conclusory presentations.⁴ This seriously limits interested party insight into the culmination of feedback and data used to generate conclusions. **The dashboard itself does not contain enough information to provide meaningful feedback. Public Counsel recommends that the UTC and SSG allow interested parties to view the final report and provide feedback before sending it to the legislature.**

One of Public Counsel's primary considerations throughout this process has been the impact the various pathways will have on customers, particularly those in Highly Impacted Communities and Vulnerable Populations (collectively, Named Communities). However, there is not enough information available to evaluate those impacts adequately, despite repeated requests. The Executive Summary states that all decarbonization pathways deliver net societal benefits between \$28.1 billion and \$44.1 billion, but it does not explain the cost and benefit detail required to evaluate and provide feedback on the calculations. It also does not refer to the incidence of that cost on Named Communities. Further, the dashboard claims that the number of households considered energy burdened drops by between one half and three quarters, depending on the decarbonization scenario.⁵ The underlying data to support this is similarly not shared, and neither is any analysis on the energy burden impacts to Named Communities.

Public Counsel raised the concern that interested participants still had not been given cost impacts for evaluation in Public Technical Meeting 4. SSG responded that it is "tasked to deliver all the information to the Commissioners by the end of March 2023, however there is still going to be a period of feedback and comment from the public ... before ... the Commissioners finalize this process."⁶ This is the referenced comment period, and Public Counsel and other participants still have not been provided with this underlying data.

⁴ See NW Natural Comments at 1 (filed Jan. 17, 2023); PSE Comments at 3 (filed Jan. 17, 2023).

⁵ Sustainability Solutions Group, *Energy Decarbonization Pathways Dashboard: Co-Benefits*, Wash. Utils. & Transp. Comm'n, <https://cis-community.ssg.coop/washington/cobenefits> (last visited July 26, 2023).

⁶ Wash. Utils. & Transp. Comm'n, *Recording of Technical Meeting 4*, at 19:40 (Feb. 22, 2023), <https://www.utc.wa.gov/decarbpathways>.

To: Amanda Maxwell, Executive Director & Secretary

Re: *Relating to the Commission's examination of energy decarbonization impacts and pathways for electric and gas utilities to meet state emissions targets*, Docket U-210553

Date: July 31, 2023

Page 3 of 7

At the request of multiple parties, SSG and the UTC held a webinar on July 18, 2023, titled “Decarbonization Advisory Group Final Meeting,” to discuss the dashboard and take questions (webinar). At the webinar, multiple parties expressed frustration with the lack of transparency in the Docket. Public Counsel expressed our ongoing concern regarding the data and assumptions that support the cost estimates of each pathway and the lack of granular analysis regarding customer impacts. SSG pointed to the WA Data, Methods, and Assumptions Report (DMA) listed on the project webpage, noting that the DMA included information on some of the calculations and assumptions related to rates.⁷ When Public Counsel pointed out in the webinar chat that this data was not located in the DMA, SSG representatives replied in the chat that there is a new version of the report that contained the relevant information. This new version was neither posted to the project webpage, nor sent to the DAG, which highlights the lack of transparency in this Docket. Parties were asked to comment on a conclusory dashboard supported by an outdated and incomplete DMA. This is insufficient, and does not allow for meaningful feedback. Public Counsel and others requested that SSG and the UTC post the updated version of the DMA to the webpage, so we could provide meaningful feedback.⁸ At the time of submitting these comments, this still has not been done. Ultimately, providing that data and transparency could help to validate the decarbonization scenarios.

Public Counsel is concerned based on the information in the dashboard that the final report could minimize cost impacts to customers. The “Financials” section of the dashboard states, “[H]istorically, there has been a discourse that climate action costs money and requires sacrifice; however, an economic analysis of the costs and benefits to the state of Washington implementing the decarbonization scenarios finds net benefits.”⁹ This statement is dismissive. Regardless of the societal benefits in the long term, the cost impact to customers related to new renewable resources and demand-side management is undeniable. We are unable to verify whether the final report will include these cost impacts or whether those that may be included are reasonable and based on fair assumptions. To dismiss these impacts will not lead to informed policy decisions. Interested parties, including the legislature, need an accurate picture of how customers, particularly those in Named Communities, will be impacted by these pathways.

We note that, in addition to the DMA, the dashboard does have a “download data” button, which produces a download of an Excel spreadsheet.¹⁰ The spreadsheet, however, is mostly comprised of completed graphs with some hard coded energy and high-level demographic data, not the

⁷ Wash. Utils. & Transp. Comm’n, *Recording of Decarbonization Advisory Group Final Meeting*, at 20:00–20:27 (July 18, 2023), <https://www.utc.wa.gov/decarbpathways>.

⁸ *Recording of Decarbonization Advisory Group Final Meeting* at 25:00–25:30.

⁹ Sustainability Solutions Group, *Energy Decarbonization Pathways: Financial*, Wash. Utils. & Transp. Comm’n <https://cis-community.ssg.coop/washington/financial> (last visited July 26, 2023).

¹⁰ See Sustainability Solutions Group, *Energy Decarbonization Pathways Dashboard: Co-Benefits*, Wash. Utils. & Transp. Comm’n, <https://cis-community.ssg.coop/washington/cobenefits> (last visited June 27, 2023) (to show the referenced information click on “download data”).

To: Amanda Maxwell, Executive Director & Secretary

Re: *Relating to the Commission's examination of energy decarbonization impacts and pathways for electric and gas utilities to meet state emissions targets*, Docket U-210553

Date: July 31, 2023

Page 4 of 7

granular data and transparency into that data requested by Public Counsel and others. This pattern of lack of transparency continues into most of the dashboard. While SSG provides visually enticing interactive graphs, it is difficult to provide meaningful feedback without seeing the underlying data and assumptions behind the graphs and how they were specifically manipulated in modeling.

SSG's Engagement Plan states that, "equity will be at the heart of the engagement process and the development of decarbonization pathways."¹¹ In addition, the Appropriations Act requires that the final report include equity considerations and impacts to Low-income Customers and Highly Impacted Communities.¹² Based on the Dashboard, Public Counsel cannot verify that these considerations will be included in the report.

The Engagement Plan also outlined the intent to convene an equity focus group to help identify equity considerations in the decarbonization pathways.¹³ This group was supposed to meet in September 2022, with a summary report posted online within two weeks of the meeting.¹⁴ Prior to the webinar, Public Counsel and other interested participants were not aware that this focus group ever convened. When Caitlin Krennof Washington Conservation Action asked about the status, SSG representatives responded that, although later than anticipated (April 2023), the focus group did occur, and that a report on the ideas and feedback shared will be included in the final report.¹⁵ This is contrary to the Engagement Plan, which as noted above stated that a summary would be posted online within two weeks of the meeting.

The dashboard provides no insight into the equity considerations among the pathways. The Engagement Plan states that the analysis will evaluate the economic costs and benefits to customers and equity considerations for Low-income Customers and Highly-Impacted Communities,¹⁶ but it is unclear from the dashboard how that analysis was effectuated into the pathways. Parties provided feedback in workshops, but transparency into the culmination of that feedback into the pathways is not available on the dashboard. It is not possible for parties to give meaningful feedback on the equity considerations of the project without knowing the considerations that have been made.

¹¹ Sustainability Solutions Group, *Energy Decarbonization Pathways: Engagement Plan*, at 7, Wash. Utils. & Transp. Comm'n (June 2022), <https://www.utc.wa.gov/sites/default/files/2022-06/Decarbonization%20Pathways%20Engagement%20Plan%20June%202022.pdf> (hereinafter "Engagement Plan").

¹² S.B. 5092, § 143(4)(a)(vi).

¹³ *Id.* at 31.

¹⁴ *Id.*

¹⁵ *Recording of Decarbonization Advisory Group Final Meeting* at 26:20–27:07.

¹⁶ Engagement Plan at 57.

To: Amanda Maxwell, Executive Director & Secretary

Re: *Relating to the Commission's examination of energy decarbonization impacts and pathways for electric and gas utilities to meet state emissions targets*, Docket U-210553

Date: July 31, 2023

Page 5 of 7

The Engagement Plan also states that the analysis will evaluate regulatory changes to facilitate the decarbonization of services that gas utilities provide,¹⁷ which is also required under the Appropriations Act, but the dashboard does not specifically mention regulatory changes.¹⁸ Public Counsel and other parties have suggested various regulatory considerations that could aid in decarbonization, such as a robust distribution planning process utilized by all Washington investor-owned utilities.¹⁹ It is unclear from the dashboard whether this feedback will be included in the final report.

Procedural Comments

This Docket has been active for nearly two years, since July 26, 2021. Prior to engaging SSG, the Commission held one workshop on the Clean Energy Transformation Act implementation and two opportunities for written comments.²⁰ Since engaging SSG, and therefore beginning the decarbonization pathways analysis, there have been four workshops held for each the public and the DAG, as well as a general kickoff meeting,²¹ with two opportunities to file written comments. The schedule for the meetings and comment opportunities since engaging SSG is as follows:

- *May 27, 2022* - Energy Decarbonization Pathways Engagement Meeting
- *June 29, 2022* – Public Technical Meeting 1
- *July 14, 2022* – Decarbonization Advisory Group Meeting 1
- *September 7, 2022* – Decarbonization Advisory Group Meeting 2
- *October 5, 2022* – Public Technical Meeting 2
- *December 14, 2022* – Notice of Comment Opportunity
- *January 4, 2023* – Decarbonization Advisory Group Meeting 3
- *January 5, 2023* – Public Technical Meeting 3
- *February 1, 2023* – Decarbonization Advisory Group Meeting 4
- *February 22, 2023* – Public Technical Meeting 4
- *May 31, 2023* – Notice of Comment Opportunity

In earlier comments, Public Counsel requested that the UTC should publish a schedule of milestones and further opportunities to submit written comments.²² This did not happen. As

¹⁷ *Id.*

¹⁸ S.B. 5092, § 143(4)(a)(vii).

¹⁹ Second Comments of Public Counsel at 2 (filed Jan. 17, 2023).

²⁰ See Notice of Workshop and Opportunity to File Written Comments (issued July 26, 2021); see Notice of Opportunity to File Written Comments (issued Sept. 13, 2021).

²¹ Wash. Utils. & Transp. Comm'n, *Natural Gas Decarbonization*, <https://www.utc.wa.gov/decarbpathways> (last visited Jul. 20, 2023).

²² Public Counsel Initial Comments at 6 (filed Aug. 13, 2021).

To: Amanda Maxwell, Executive Director & Secretary
Re: *Relating to the Commission's examination of energy decarbonization impacts and pathways for electric and gas utilities to meet state emissions targets*, Docket U-210553
Date: July 31, 2023
Page 6 of 7

noted by the NW Energy Coalition (NWECC), the Notice of Comment Opportunity on December 14, 2022 (due January 17, 2023), was the first solicitation to submit written comments in more than a year.²³ NWECC and others recommended more opportunities for interested parties to provide written feedback.²⁴ This suggestion was not adequately implemented.

Additionally, we note that the “Public Technical Meetings” and the “Decarbonization Advisory Group Meetings” were substantively duplicative, although it is possible that the goal was to provide space for different voices to contribute to the docket. This would at least partially align with the definitions of the two groups. However, identical meetings were often spaced nearly a month apart, unnecessarily extending the process and, ultimately, limiting the opportunity to provide sufficient or substantive feedback.

Moreover, it is unclear how feedback from interested parties was incorporated into the final report, despite repeated requests for greater transparency. The Engagement Plan states that a final “What We Heard” engagement summary report would be published on the UTC/Project Website in December of 2022.²⁵ This report was supposed to summarize and analyze feedback from each of the engagement activities. When asked whether this would be posted on the website as stated in the Engagement Plan, SSG stated that it would not, but it would be included in the final report.²⁶ One of the Engagement Plan’s Guiding Principles is that, “interested or affected parties will have opportunities to provide input and will be informed on how their feedback shapes the final report.”²⁷ Since that report is not going to be shared with parties before being given to the legislature, we are unable to confirm that feedback was adequately addressed. As such, many of Public Counsel’s prior concerns and feedback unfortunately remain.

At the webinar, Public Counsel asked SSG and the UTC whether the legislature would be made aware of comments from interested parties in this Docket. A UTC Staff Representative stated that the legislature would be provided a “summary of stakeholder comments.”²⁸ Public Counsel does not favor this approach. The comment summary may not accurately portray participant viewpoints, even inadvertently, and there is no opportunity for review before the legislature receives the report. As a result, the legislature may receive inaccurate information and may not have a full picture of feedback given throughout this process.

Many of the concerns outlined in these comments would be addressed by providing interested parties with the opportunity to review the report prior to it being submitted to the legislature.

²³ NW Energy Coalition Comments at 1 (filed Jan. 18, 2023).

²⁴ *See id.* NW Nat. Gas Co. Comments at 2 (filed Jan. 17, 2023).

²⁵ *Id.* at 36.

²⁶ *Recording of Decarbonization Advisory Group Final Meeting* at 26:20–27:07.

²⁷ Engagement Plan at 8.

²⁸ *Recording of Decarbonization Advisory Group Final Meeting* at 19:30–19:51.

To: Amanda Maxwell, Executive Director & Secretary

Re: *Relating to the Commission's examination of energy decarbonization impacts and pathways for electric and gas utilities to meet state emissions targets*, Docket U-210553

Date: July 31, 2023

Page 7 of 7

Public Counsel strongly encourages the Commission to allow parties to review and comment on the draft report prior to its submission.

Public Counsel appreciates the opportunity to submit comments. If you have any questions about this filing, please contact the undersigned, Ann Paisner at (206) 573-1127 or Ann.Paisner@ATG.WA.GOV, Shay Bauman at (206) 389-3040 or Shay.Bauman@ATG.WA.GOV, or Corey Dahl at (206) 254-0562 or Corey.Dahl@ATG.WA.GOV.

Sincerely,

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