



Re: Front and Centered Comments on PacifiCorp 2021 Draft Clean Energy Implementation Plan pursuant to WAC 480-100-640 (Docket UE-210829)

Amanda Maxwell
Executive Director and Secretary
Washington Utilities and Transportation Commission
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Dear Amanda Maxwell:

Thank you for the opportunity to weigh in on the Commission’s considerations on Docket U-210829, ie. PacifiCorp’s Clean Energy Implementation Plan

Front and Centered is a coalition of organizations led by and serving communities of color in Washington. Our mission is to advocate for the interests of frontline communities, who are first and worst impacted by the climate crisis, in advocating for a just transition from an extractive to a regenerative economy. We have been following the implementation of the Clean Energy Transformation Act (CETA) and are offering these comments on PacifiCorp’s Clean Energy Implementation Plan (CEIP) in support of an equitable transition to 100% clean energy in Washington and to encourage policies and practices that center the interests of impacted communities in decision-making.

Summary

PacifiCorp’s CEIP details the utility’s plans to begin its shift to providing fully carbon-free energy to Washington state consumers by 2045 and specifically covers the period from 2022-2025. While the draft CEIP demonstrates that PacifiCorp has done some work to include equity considerations in their transition plan, the proposed planning document still has some major areas for improvement. As part of their planning, PacifiCorp has generated Customer Benefit Indicators (CBIs) to ensure this transition is equitable. Front and Centered is primarily concerned that the selected CBIs are minimalist in nature, lack definitional clarity, and generally do not

meet the standards required by statute to equitably distribute benefits and reduce burdens for highly impacted communities and vulnerable populations.

While UTC rules require at minimum eight (8) CBIs, Front and Centered reads the statutory requirement to call for utilities to develop well more than this base number. Yet PacifiCorp has proposed only nine (9) indicators, at least one of which Front and Centered believes is double counted. Further, based on PacifiCorp's draft CEIP, which details how it came to select the proposed CBIs, Front and Centered is concerned that PacifiCorp may be attempting to prioritize certain equity categories above others, which directly clashes with the equal attention given to each category by the CETA statutes and regulations.

Even with the CBIs that have been selected, PacifiCorp's draft CEIP does little to explain how the utility understands the CBIs to function and does not provide the necessary clarity for the public to meaningfully engage with the proposed indicators. While PacifiCorp has done a good job of including baseline data for the selected CBIs, Front and Centered urges the utility to develop its baseline data further and to include the utility's targets for improvement.

Finally, while PacifiCorp's draft CEIP includes proposed specific actions that the utility will take to comply with the statutory requirements of CETA, the draft CEIP does not connect these proposed actions with the CBIs that they are meant to link with. This lack of connection makes it difficult for the public to understand exactly how PacifiCorp has included equity considerations in their planning.

We recommend the following for the CEIP:

1. Develop more CBIs, including those suggested by the Joint Advocates, to better comply with the legislative intent of CETA.
2. Include more detailed baseline data and set forth targets for the utility as it moves forward in its equitable transition to clean energy.
3. Refine the CBIs to include a greater depth of understanding about what they mean, and to which populations, as well as a wider breadth of energy and non-energy impacts with clear long- and interim- term targets.
4. Provide greater clarity around the methodology used when developing the proposed Specific Actions from the proposed CBIs.

Issues w/ PacifiCorp CEIP

(1) Minimalist CBIs

In 2019, the Washington State Legislature passed the Clean Energy Transformation Act, which requires all electricity provided to Washington State customers to be one-hundred percent carbon-free by 2045. As part of this transition, the Legislature mandated that specific focus should be given to making the transition an equitable one, with special consideration given to

“vulnerable populations” and “highly impacted communities.” RCW 19.404.040(8). As part of this equity mandate, the Legislature directed utilities to consider at least sixteen (16) different areas of public interest around which the utilities should shape their proposed transitions. The statutory elements are as follows:

1. Equitable distribution of energy benefits to vulnerable populations;
2. Equitable distribution of energy benefits to highly impacted communities;
3. Equitable distribution of non-energy benefits to vulnerable populations;
4. Equitable distribution of non-energy benefits to highly impacted communities;
5. Equitable reduction of burdens to vulnerable populations;
6. Equitable reduction of burdens to highly impacted communities;
7. Long-term public health benefits;
8. Short-term public health benefits;
9. Long-term reduction of costs and risks associated with public health;
10. Short-term reduction of costs and risks associated with public health;
11. Long-term environmental benefits;
12. Short-term environmental benefits;
13. Long-term reduction of costs and risks associated with environment;
14. Short-term reduction of costs and risks associated with environment;
15. Energy security; and
16. Energy resiliency

RCW 19.405.040(8).

To ensure that utilities are actively considering the equity mandate when developing their plans to transition energy sources to be carbon-free, the Washington Utilities and Transportation Commission (UTC) requires each utility, in its Clean Energy Implementation Plan (CEIP), to include at least one or more Customer Benefit Indicators (CBI), per eight (8) different category areas: (1) energy benefits, (2) nonenergy benefits, (3) reduction of burdens, (4) public health, (5) environment, (6) reduction in cost, (7) energy security, and (8) resiliency. WAC 480-100-640(4).

The above-stated requirements from the UTC are simply base guidelines—they set a floor, but not a ceiling. Instead, the language of the rules explicitly leaves open the possibility of more than eight CBI areas. Front and Centered would thus urge PacifiCorp to take guidance from the statutory elements contained in RCW 19.405.040(8), rather than minimally complying with WAC 480-100-640(8). The statutory categories, as listed above, would draw out a more detailed analysis from utilities when considering the impact of proposed plans. Namely, the statutory elements (1) draw out the distinctions between vulnerable populations and highly impacted communities and (2) require both short-term and long-term analysis of public health and environmental benefits and costs.

Drawing distinctions between vulnerable populations and highly impacted communities is very important in helping utilities move forward in their planning for a clean and equitable energy transition. While there may often be overlap between the two groups, there are important distinctions as well. Vulnerable populations, as PacifiCorp notes in its draft CEIP, include those who face particularized challenges and may not reside within communities considered to be highly impacted communities.

Front and Centered applauds PacifiCorp for its attention to this detail in some of its presentation of baseline data in its draft CEIP. Tables 2.16 and 2.17 demonstrate the importance of gathering data for both highly impacted communities and vulnerable populations to draw out the distinctive issues that each may be facing and provide the public with insight into how well a proposed action plan may result in substantive change. Nevertheless, there is a noticeable lack of separation of data for most of the rest of the document, both in baseline data presentation and in narrative format. See, e.g., pages 43-44, noting that “PacifiCorp identified wood heating, and its associated indoor air quality impacts, as a public health threat for vulnerable populations in the Washington service area” but then continuing only to provide data for highly impacted communities. By not incorporating such findings, PacifiCorp may be overlooking notable areas where the utility could be making an equitable transition even more of a reality.

Further, drawing out distinctions between short-term and long-term public health and environmental benefits and costs will help PacifiCorp to both better plan for the immediate future and set longer-term goals. While Front and Centered recognizes that the CEIP is meant to be an intermediate-step focused document, Front and Centered also urges PacifiCorp to detail what its long-term environmental and public health goals are. Such detailing will aid both PacifiCorp and the public in determining which intermediate steps will be most effective in achieving long-term goals. Further, setting at least two distinct CBIs, one short-term and one long-term, will allow for a more wide-reaching and yet simultaneously targeted approach to an equitable transition.

Finally, it is important to recognize that the consideration and reduction of burdens applies to all areas of analysis, and thus should be a major part of the CBI drafting process. The statute calls for the reduction of burdens with consideration to highly impacted communities and vulnerable populations, as well as an analysis of the ways a utility may reduce the costs of its actions on both public health and the environment. However, both the UTC WACs and PacifiCorp’s Draft CEIP only consider reduction of burdens generally as a category of CBI, rather than as an interwoven design throughout all other areas.

(2) Of the CBIs chosen, there is little rationale demonstrated why any single one was better than another proposed or why prioritization was required.

As part of its Draft CEIP, PacifiCorp included a table (Table 2.5) which detailed the prioritization of proposed CBIs based on a weighted score. The score was determined through a ranking done by PacifiCorp's Equity Advisory Group (EAG). This data, in and of itself, is useful feedback from the EAG to PacifiCorp. However, the highest-ranking CBI is not the only CBI that could, or should, be chosen. As noted above, there is nothing limiting PacifiCorp to selecting only one CBI per category. For instance, why, when there is only a 0.3 difference in score, was only "Increase in renewable energy resources" selected as an environmental CBI, and not "Lower Greenhouse Gas emissions?" Surely both are goals that PacifiCorp strives to meet. Similarly, the same could be said of the two highest ranking proposed CBIs for Energy Resiliency/Risk Reduction, where the difference between the two was only 0.2—it is important both for PacifiCorp to reduce the frequency and duration of energy outages while simultaneously supporting customer programs related to community resiliency.

Further, as The Energy Project noted in its comments on this Draft CEIP, there is no requirement in CETA for a utility to rank prioritization between CBI categories. In fact, it seems contrary to the general spirit of CETA's equity mandate, which does not elevate any one category above another. As such, while Front and Centered understands the desire to gather data and applauds PacifiCorp for soliciting public feedback on proposed CBI categories, Front and Centered is concerned that PacifiCorp, along with the other IOUs, has seemingly chosen to prioritize some CBI categories over others.

(3) CBI presentation is confusing, lacks definitional clarity, and there is at least some overlap between proposed CBIs.

Front and Centered echoes the comments submitted by The Energy Project on this Draft CEIP regarding PacifiCorp's chosen method to present their CBIs. Organizing CBIs by benefit category, rather than ascribing multiple benefit categories to each CBI, would help ensure that readers can understand exactly where PacifiCorp is prioritizing its attention.

Front and Centered is also concerned with PacifiCorp's decision to only include a singular CBI that it claims touches on the categories of energy resiliency and risk reduction. Front and Centered interprets WAC 480-100-640(4) to call for a separate CBI for each listed category. While PacifiCorp has nine (9) listed CBIs to the eight (8) listed categories, this double counting should not be overlooked.

Further, when describing their chosen CBIs, PacifiCorp's explanations often do not go beyond a simple restating of the CBI itself. For instance, on page 37 of the Draft CEIP, PacifiCorp

describes the purpose of their “Community-Focused Efforts and Investment” CBI as “focus[ing] investments so that communities more equitably receive benefits.” They then describe the metrics that they will use to measure the CBI, though they never exactly state what they define as “efforts” nor “investments.”

Front and Centered calls on PacifiCorp to provide more detail as to how exactly it understands the CBIs it is proposing. Only through providing more detail can the public hold PacifiCorp accountable to its stated intentions.

(4) The lack of connection between proposed specific actions to CBIs also makes it difficult to analyze the efficacy of the actions proposed by PacifiCorp.

Front and Centered further echoes the points raised by The Energy Project in its comments on this draft CEIP regarding the lack of explicit connection between PacifiCorp’s proposed specific actions and the stated CBIs. Front and Centered believes that CBIs should be utilized by utilities to guide the choice of specific actions taken. As a result, CBIs must first be clear and detailed, both so that the utility can demonstrate an understanding of what is often an idea promoted by the utility’s EAG. Further, by clearly articulating what exactly the CBI is, the utility will necessarily also include what its target goal is, and thus aid both the UTC and the public in holding the utility accountable.

Clear articulation of CBIs also allows for greater public input (and thus greater self-governance) by communities who would be affected by proposed specific actions. As part of an equitable transition to clean energy, Front and Centered believes that communities must be given the opportunity to meaningfully influence the decision-making of the utilities that provide them services. The only way that communities can effectively provide such feedback is through utilities providing clear statements of their intent.

Similarly, baseline data provides yet another opportunity for utilities to clarify their intent regarding the transition to clean energy. By providing clear baseline data, a utility is necessarily required to reflect on its current and historical actions, as well as reckon with its potential capacity for growth. Front and Centered applauds PacifiCorp for the level of detailed baseline data provided in its draft CEIP but notes that there is still room for improvement. For instance, Table 2.10, which represents a headcount of staff that support program delivery in Washington that PacifiCorp has classified as diverse in some way is not helpful without context. Front and Centered suggests that PacifiCorp include details such as the general availability of eligible candidates in the hiring pool (i.e., workforce availability) and break down the employee status (e.g., craft, non-craft, managerial, executive). Further, for those baseline data points that PacifiCorp states are “in progress,” Front and Centered urges PacifiCorp to describe its proposed methods for data collection.

Front and Centered also suggests that PacifiCorp use its baseline data presentation as a location for setting soft goals for itself (i.e., target numbers). In doing so, PacifiCorp would be able to demonstrate how committed it is to its stated goals, as well as provide yet another point where both the UTC and the public can help to hold the utility accountable.

Front and Centered is grateful for the opportunity to comment on this matter and looks forward to further opportunities to engage on this docket. Research and writing assistance has been provided by the Nico Wedekind, Diehl Clinical Fellow in Environmental Law, University of Washington Regulatory Environmental Law & Policy Clinic (diehlfellow@uw.edu). Please contact us if you have any questions or would like to discuss any of our comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'MF', with a long horizontal flourish extending to the right.

Mariel Fernandez Thuraingham
Clean Energy Policy Lead
Front and Centered