



Washington State  
Department of  
**Commerce**



**UTC**  
Washington Utilities  
and Transportation  
Commission

**JOINT WORKSHOP AND DISCUSSION**  
**Washington Utilities and Transportation Commission**  
**and**  
**Washington Department of Commerce**

**Equity in Utility Planning**  
**February 5, 2020 starting at 8:30 am**

# Equity Provisions in CETA

RCW	Description
19.405.010	Intent
19.405.040(8)	2030 Greenhouse gas neutral standard
19.405.060(1)(c)(iii) [IOU] 19.405.060(2)(b)(iii) [COU]	Clean Energy Implementation Plans
19.280.030(1)(k) and (l) [Rules: 19.280.030(11)]	Integrated Resources Plans
19.405.120	Low Income Energy Assistance Programs
19.405.140	DOH Cumulative Impact Analysis

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19.405.140	DOH Cumulative Impact Analysis

## **RCW [19.405.040](#)**

### **Greenhouse gas neutrality—Responsibilities for electric utilities**

(1) It is the policy of the state that all retail sales of electricity to Washington retail electric customers be greenhouse gas neutral by January 1, 2030. [...]

(8) In complying with this section, an electric utility must, consistent with the requirements of RCW [19.280.030](#) and [19.405.140](#), ensure that all customers are benefiting from the transition to clean energy: Through the equitable distribution of energy and nonenergy benefits and reduction of burdens to vulnerable populations and highly impacted communities; long-term and short-term public health and environmental benefits and reduction of costs and risks; and energy security and resiliency.

## **RCW [19.405.060](#)**

### **Clean energy implementation plan—Compliance criteria**

(1)(a) By January 1, 2022, and every four years thereafter, each investor-owned utility must develop and submit to the commission:

(i) A four-year clean energy implementation plan for the standards established under RCW [19.405.040](#)(1) and [19.405.050](#)(1) that proposes specific targets for energy efficiency, demand response, and renewable energy; and

(ii) Proposed interim targets for meeting the standard under RCW [19.405.040](#)(1) during the years prior to 2030 and between 2030 and 2045. [...]

(c) The commission, after a hearing, must by order approve, reject, or approve with conditions an investor-owned utility's clean energy implementation plan and interim targets. The commission may, in its order, recommend or require more stringent targets than those proposed by the investor-owned utility. The commission may periodically adjust or expedite timelines if it can be demonstrated that the targets or timelines can be achieved in a manner consistent with the following: [...]

(iii) Ensuring that all customers are benefiting from the transition to clean energy: Through the equitable distribution of energy and nonenergy benefits and the reduction of burdens to vulnerable populations and highly impacted communities; long-term and short-term public health and environmental benefits and reduction of costs and risks; and energy security and resiliency

## RCW [19.280.030](#)

### Development of a resource plan—Requirements of a resource plan

Each electric utility must develop a plan consistent with this section.

(1) [...] The integrated resource plan, at a minimum, must include:[...]

(k) An assessment, informed by the cumulative impact analysis conducted under RCW [19.405.140](#), of: Energy and nonenergy benefits and reductions of burdens to vulnerable populations and highly impacted communities; long-term and short-term public health and environmental benefits, costs, and risks; and energy security and risk; and

(l) A ten-year clean energy action plan for implementing RCW [19.405.030](#) through [19.405.050](#) at the lowest reasonable cost, and at an acceptable resource adequacy standard, that identifies the specific actions to be taken by the utility consistent with the long-range integrated resource plan.

Principles from  
RCW 19.405.010

# Principles from RCW 19.405.010: Findings – Intent

(1) Washington must address the impacts of climate change by leading the transition to a clean energy economy [...] by transforming its energy supply, modernizing its electricity system, and ensuring that the benefits of this transition are broadly shared throughout the state.

(4) Washington can accomplish the goals of [CETA] while: Promoting energy independence; creating high-quality jobs in the clean energy sector; continuing to encourage and provide incentives for clean alternative energy sources, including providing electricity for the transportation sector; maintaining safe and reliable electricity to all customers at stable and affordable rates; and protecting clean air and water in the Pacific Northwest.

## **Principles from RCW 19.405.010: Findings – Intent**

(5) Utilities in the state have an important role to play in this transition, and must be fully empowered, through regulatory tools and incentives, to achieve the goals of this policy. In combination with new technology and emerging opportunities for customers, this policy will spur transformational change in the utility industry.

(5) The utilities and transportation commission's statutory grant of authority for rate making includes consideration and implementation of performance and incentive-based regulation, multiyear rate plans, and other flexible regulatory mechanisms where appropriate to achieve fair, just, reasonable, and sufficient rates and its public interest objectives.

## **Principles from RCW 19.405.010: Findings – Intent**

(6) The public interest includes, but is not limited to: The equitable distribution of energy benefits and reduction of burdens to vulnerable populations and highly impacted communities; long-term and short-term public health, economic, and environmental benefits and the reduction of costs and risks; and energy security and resiliency. It is the intent of the legislature that in achieving this policy for Washington, there should not be an increase in environmental health impacts to highly impacted communities.

Question: Based on the legislative intent, what existing utility processes or future programs do you see as opportunities for operationalizing equity?

- Think on your own (4 min)
- Pair up and discuss (4 min)
- 2 pairs connect and discuss (4 min)
- Brief report out with the group (2 min per group)

15 minute break

# Equity Areas and Indicators

Equity Area	Indicator	Example/Program
<b>Access to Clean Energy</b>	<p>Energy and cost savings for customers in aggregate</p> <p>Locations and expenditures of existing and planned community energy projects</p> <p>Participation and attrition rate of programs, locations and monetary benefits received</p>	<p>Energy efficiency and renewable energy programs</p> <p>Net metering participation</p> <p>EV charger rebate programs</p> <p>Low income community solar</p>

Look through the list and please answer the following:

- What is missing from the list of equity areas? If you add an equity area, please include some indicators and examples.

Brainstorm with your group and designate one person that will report out to the whole room.

10 minutes

Report out (2 min each) and Full Room Discussion

25 minutes total

Look through the list and please answer the following:

- What are additional indicators that could be included on this list?

Brainstorm with your group and designate one person that will report out to the whole room.

10 minutes

Report out (2 min each) and Full Room Discussion

25 minutes total

Next Steps

Question: What do you see as the next steps on equity?

RCW	Description	Commerce	UTC
19.405.040(8)	2030 Greenhouse gas neutral standard	Workshop in spring	<ul style="list-style-type: none"> <li>• Draft language in IRP rule</li> <li>• Questions in IRP, PoE, and CEIP dockets</li> </ul>
19.405.060(1)(c)(iii) [IOU] 19.405.060(2)(b)(iii) [COU]	Clean Energy Implementation Plans	--	<ul style="list-style-type: none"> <li>• Question in CEIP docket</li> </ul>
19.280.030(1)(k) and (l) [Rules: 19.280.030(11)]	Integrated Resources Plans	Small utilities workshop (~April)  Workshop in spring	<ul style="list-style-type: none"> <li>• Draft rule language and questions in IRP docket</li> </ul>

IRP Docket: UE – 190698  
PoE Docket: UE – 190837  
CEIP Docket: UE – 191023

Comments were due: 12/20/2019  
Comment period is expected: ~Early March  
Comments due: 2/28/2020 by 5:00 p.m.

Thank you for your participation!

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