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Ms. Kathy Hunter
Acting Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

RE: Docket U-230217 – Commission Proceeding to Develop a Policy Statement to Address the Application of Equity and Justice in Commission and Regulated Company Processes and Decisions

Dear Ms. Hunter:

Avista Corporation, dba Avista Utilities (Avista or the Company), submits the following comments in accordance with the Washington Utilities and Transportation Commission's (Commission) Notice of Opportunity to File Written Comments (Notice) issued in Docket U-230217 on September 29, 2023, regarding a Commission proceeding to develop a policy statement to address the application of equity and justice in Commission and regulated company processes and decisions.

Avista appreciates the Commission's initiation of this proceeding and welcomes guidance from the Commission on how to further incorporate equity into its business practices. Importantly, Avista is an expert at providing utility service but is not yet an expert on equity and providing services that have been historically offered to its customers through social service agencies and/or Community Based Organizations (CBOs). Avista has incorporated many facets of equity into its business operations – including how it serves its customers through various programs like energy efficiency and energy assistance, as well as how it engages its customers in the development of resource plans and Clean Energy Implementation Plans – yet recognizes that it has more to learn and more to do.

Regarding the core tenets of energy justice, with a specific focus on procedural justice in these comments, Avista suggests the Commission consider the following questions, which the Company has provided initial thoughts on:

- **What are the responsibilities of the Commission, utilities, and other interested parties or advocates in ensuring procedural justice?**

It should be the utility’s responsibility to engage its customers to understand what their needs are and what they expect from the utility. There is no better party situated to broadly do this more than the utility. If a utility broadly engages its customers to obtain meaningful customer participation, it can then consider its customers’ voices in its business planning, decisions, and proposals before the Commission, which in turn demonstrates to the Commission that the utility is striving to achieve procedural justice.

For interested parties and advocates that regularly participate in Commission proceedings (i.e. Public Counsel, The Energy Project, Northwest Energy Coalition, Alliance of Western Energy Consumers, etc.), they should demonstrate that they have sought input from the constituents they represent and bring that input into the conversation to ensure additional customers’ voices are represented. In addition, they should use Participatory Funding to recruit, educate, and train additional CBOs on how to participate in Commission proceedings, as these organizations may be best situated to represent specific communities and/or groups of customers.

Finally, the Commission should continue to make sure all proceedings are noticed in accessible ways to customers, communities, and organizations, including translated materials. Proceedings should provide multiple ways for engagement and participation to occur and be offered at various times in order to allow parties to participate when and how it works best for them. Exploring additional means for participation through various technologies should also be considered. Also, the Commission can review the “Justice in 100 Scorecard Case Studies” publication where the Initiative for Energy Justice performed a review of the implementation of Senate Bill 5116, the Clean Energy Transformation Act (CETA).¹ In this case study, the Initiative for Energy Justice used their Justice in 100 Scorecard to evaluate five categories related to the implementation of CETA: 1) process; 2) restoration; 3) decision-making; 4) benefits; and 5) access. This study provides a third-party assessment that may be useful to the Commission in evaluating how it should incorporate equity in various areas.

Avista mentions these things to get the conversation started and recognizes that there is much more to discuss about the responsibilities of all involved in the regulatory process.

- **Is Participatory Funding achieving the desired goals it was intended for?**

A meaningful evaluation of Participatory Funding is warranted. While relatively new, it appears that Participatory Funding is not achieving the desired intent. For Avista, nearly all of its Participatory Funding paid out to date has gone to interested parties that have long participated in Commission proceedings and are no stranger to such undertakings. No doubt Participatory Funding will evolve over time, but a regular review of its effectiveness in ensuring that fresh and historically underrepresented voices are being heard is paramount to procedural justice.

- **What desire do customers have to be involved with utility and Commission proceedings?**

¹ <https://iejusa.org/justice-in-100-case-studies-beta/>

This may be the most important question for discussion when talking about the application of equity and justice in Commission and regulated company processes and decisions. Over the recent past, there have been new requirements instituted and a growing expectation mounting regarding the need for utilities to engage customers on a plethora of topics. In many cases, this engagement – despite ample outreach on the utility’s part – has garnered little (and sometimes no) interest from customers. Recognizing that customers’ time and attention to utility matters is limited, an assessment of all the ways in which utilities are expected to provide notices, education, and engagement with customers would be useful. It seems that prioritizing what matters most to customers and the Commission is an essential operational strategy when considering the incorporation of equity into all processes. Truly listening and understanding what customers desire and then adhering to such feedback is an important component of building trust with customers and achieving procedural justice.

- **How should customer voices be included in utility decision-making?**

For many customers, if they are willing to take the time and effort needed to voice their opinion or desires for how and what the utilities’ services should look like, they then expect the utility to deliver upon the feedback they’ve shared without further involvement in the process. The Commission should look to balance the requirement of utilities soliciting participation from customers with not overwhelming them or continually trying to involve them in processes that they may or may not want to be involved in.

- **How can Commission proceedings be more accessible to utility customers and Community Based Organizations?**

As discussed later in these comments, barriers to participation must be eliminated to make proceedings more accessible to those customers and organizations that would like to participate.

- **Should the same approach to procedural justice be considered for all utilities?**

Avista does not have a specific opinion on this question at this point, but rather wishes to emphasize the need to recognize that customers across the state may have differing needs and ideas about procedural justice. A one size fits all approach may not work.

The Company offers the following comments on the questions posed in the Notice.

- 1. What Procedural Justice considerations would you like to see discussed?**

Procedural justice is a central component of Energy Justice based on the premise that inclusive, collaborative customer input is essential in decision-making. It is particularly important to include the voices of those who previously may not have been included to ensure new policies are developed to address disproportionate outcomes. Procedural justice is best served with inclusive, collaborative customer or community engagement and representation; easily accessible processes and opportunities for input; information provided in a transparent and

understandable manner; and, provides for flexibility to address barriers to participation. Achieving an equitable energy system will foster trust, credibility, and empower customers in decisions which impact them. Avista suggests the following topics be considered during this proceeding:

Consolidate Efforts across Agencies

In Washington State and at the federal level, the terms Vulnerable Populations, Highly Impacted Communities, Disadvantaged Communities, Overburdened Communities, and Marginalized Populations are being used in various regulations and rulemaking. Is it possible to consolidate efforts or align with other state agencies or the federal government's Justice 40 initiative to avoid duplicative efforts.

Determine appropriate level of engagement

Meaningful customer engagement, in most circumstances, is vital to ensure customers' input is prioritized in processes where mutually agreed upon solutions, policies, and decisions are made. Customers and communities are encouraged to actively participate in shaping outcomes and such input is valued and respected. Achieving meaningful customer engagement in the full context of the definition is difficult due to several reasons, including the fact that the energy industry is complicated, comprised of specific terminology that is difficult to translate or put in simple terms, and the regulatory process for decision making is difficult to navigate. The Company has several advisory groups that are intended to represent customers and advise the Company on various topics; however, customer representation is not as robust as we might like it to be. As mentioned above, determining what level of interaction customers would prefer should be the first priority. It is counterproductive to attempt to solicit input and collaboration from customers that are not interested in that level of input, do not have the desire to do so, or simply don't have the time as they are focused on other priorities. In reality, for most customers, thinking about their energy service is low on their priority list – limited to simply the time they spend paying their monthly bill, in the absence of a service interruption. Attention would be better served by seeking out and clarifying what customers *actually* need and how to ensure they get what they need.

Develop common standards for transparency of data

Transparent, understandable data that is provided in a consistent manner across utilities will cultivate trust, accountability, and respect within the communities the utilities serve. Historically, the source of mistrust may exist due to the “behind closed doors” nature of decisions, or a lack of understanding regarding operational processes, utility efforts, and the data used to inform many of these decisions or endeavors. Discussion regarding common standards for data transparency could potentially inform this.

Understandability / Education

In alignment with data transparency as noted above, most customers do not understand what actually makes up their energy bill. Customer education will continue to be needed and not just from the utilities. It is the responsibility of all parties participating in the regulatory environment to collaboratively work together to better educate customers and make complex energy issues more understandable.

2. What element (s) of Procedural Justice is most important to you?

It is important to provide all customers with transparent procedures that are consistent and unbiased. Criteria used to make decisions should be clear, understandable, and accessible to everyone regardless of circumstance. It is important for all diverse customers or communities to have fair access and opportunity to participate in the decision-making process in order to have broad representation.

If you have any questions regarding these comments, please contact me at 509-495-2782 or shawn.bonfield@avistacorp.com.

Sincerely,

/s/ Shawn Bonfield

Shawn Bonfield
Sr. Manager of Regulatory Policy & Strategy