

Docket No. UE-210795 - Vol. III

**In the Matter of Puget Sound Energy's Clean Energy
Implementation Plan**

January 31, 2023



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1 A P P E A R A N C E S

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1 A P P E A R A N C E S (Continued)

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1 VIDEOCONFERENCE EVIDENTIARY HEARING, VOLUME III

2 INDEX

3 January 31, 2023

4	PROCEEDINGS:	Page
5	Opening Statements by Ms. Barnett	121
	Opening Statements by Mr. Callaghan	125
6	Opening Statements by Ms. Suetake	129
	Opening Statements by Ms. Moser	131
7	Opening Statements by Ms. Goodin	134
	Opening Statements by Mr. Ffitch	142

8		
9	WITNESSES:	Page
10	KARA DURBIN	
11	Direct Examination By Ms. Barnett	147
	Cross-Examination by Mr. Callaghan	147
12	Cross-Examination by Ms. Suetake	161
	Cross-Examination by Ms. Goodin	171
13	Cross-Examination By Ms. Tack-Hooper	179
	Redirect Examination by Ms. Barnett	184
14	Cross-Examination by Mr. Ffitch	185
	Examination by Commissioner Doumit	191
15	Examination by Commissioner Rendahl	193
	Examination by Commissioner Doumit	194
16	Examination by Chair Danner	198
	Examination by Commissioner Doumit	202
17	Examination by Commissioner Rendahl	205
	Examination by Chair Danner	210

18	GILBERT ARCHULETA	
19	Direct Examination by Mr. Callaghan	217
20	Cross-Examination by Mr. Callaghan	217
	Cross-Examination by Ms. Goodin	220
21	Cross-Examination by Mr. Ffitch	222
	Redirect Examination by Ms. Barnett	228
22	Examination by Commissioner Rendahl	229

INDEX
(Continued)

WITNESSES:

Page

WILLIAM T. EINSTEIN

Direct Examination by Ms. Barnett	237
Cross-Examination by Mr. Callaghan	238
Cross-Examination by Ms. Suetake	250
Cross-Examination by Ms. Tack-Hooper	257
Redirect Examination by Ms. Barnett	259
Cross-Examination by Mr. Ffitch	260
Examination by Commissioner Doumit	262

AUSTIN PHILLIPS

Direct Examination by Ms. Barnett	269
Examination by Commissioner Rendahl	270
Examination by Chair Danner	276
Examination by Commissioner Rendahl	277

JENNIFER SNYDER

Direct Examination by Mr. Callaghan	281
Examination by Chair Danner	281

AARON TAM

Direct Examination by Ms. Suetake	284
Examination by Commissioner Rendahl	285

LAUREN MCCLOY

Direct Examination by Ms. Goodin	290
Examination by Commissioner Rendahl	291
Examination by Chair Danner	293

ROGER COLTON

Direct Examination by Ms. Goodin	296
Examination by Chair Danner	296
Examination by Commissioner Doumit	302

EXHIBIT INDEX

1		
2		
3	PSE 2021	Corrected Clean Energy Implementation Plan
4		(attach.), (app. A-1, A-2, A-3, B, C, D,
5		E-1, E-2, E-3, F, G, H, I, J, K, L)
6		PSE 2021 Corrected Clean Energy
7		Implementation Plan
8		
9	AJR-2	Professional Qualifications of Adrian J.
10		Rodriguez
11		
12	KKD-1T	Direct Testimony (45 pages)
13		
14	KKD-2	Professional Qualifications of Kara K.
15		Durbin
16		
17	KKD-3	2022 DER RFP Proposal Summary
18		
19	KKD-4	PSE Response to Public Comments on ELCC
20		Calculations and Use
21		
22	KKD-5	Comments from Dockets UE-200304 and
23		UG-200305
24		
25	KKD-6T	Rebuttal Testimony (40 pages)
26		
27	KKD-7	PSE's Response to Public Counsel Data
28		Request No. 008
29		
30	KKD-8X	PSE Response to NWECC DR 217
31		
32	KKD-9X	PSE Response to NWECC DR 220
33		
34	KKD-10X	2023 Distributed Solar and Storage
35		Resources, Request for Proposals
36		
37	KKD-11X	PSE Response to NWECC and Front and Centered
38		Data Request No. 006
39		
40	KKD-12X	PSE Response to NWECC and Front and Centered
41		Data Request No. 013
42		
43	KKD-13X	PSE Response to NWECC and Front and Centered
44		Data Request No. 019
45		
46		

EXHIBIT INDEX (Continued)

1		
2	KKD-14X	PSE Response to NWEAC and Front and Centered Data Request No. 020
3		
4	KKD-15X	PSE Response to NWEAC and Front and Centered Data Request No. 021
5	KKD-16X	PSE Response to NWEAC and Front and Centered Data Request No. 026
6		
7	KKD-17X	PSE Response to NWEAC and Front and Centered Data Request No. 027
8	KKD-18X	PSE Response to NWEAC and Front and Centered Data Request No. 028
9		
10	KKD-19X	PSE Response to NWEAC and Front and Centered Data Request No. 029
11	KKD-20X	PSE Response to NWEAC and Front and Centered Data Request No. 050
12		
13	KKD-21X	PSE Response to NWEAC and Front and Centered Data Request No. 050 Attachment A (native Excel)
14	KKD-22X	PSE Response to NWEAC and Front and Centered Data Request No. 106
15		
16	KKD-23X	PSE Response to NWEAC and Front and Centered Data Request No. 107
17	KKD-24X	PSE Response to NWEAC and Front and Centered Data Request No. 142
18		
19	KKD-25X	PSE Response to NWEAC and Front and Centered Data Request No. 155
20	KKD-26X	PSE Response to NWEAC and Front and Centered Data Request No. 162
21		
22	KKD-27X	PSE Response to NWEAC and Front and Centered Data Request No. 163
23	KKD-28X	PSE Response to NWEAC and Front and Centered Data Request No. 163 Attachment A (native Excel)
24		
25		

EXHIBIT INDEX (Continued)

1		
2	KKD-29X	PSE Response to NVEC and Front and Centered Data Request No. 163 Attachment B (native Excel)
3		
4	KKD-30X	PSE Response to NVEC and Front and Centered Data Request No. 164
5		
6	KKD-31X	PSE Response to NVEC and Front and Centered Data Request No. 164 Attachment A (native Excel)
7		
8	KKD-32X	PSE Response to NVEC and Front and Centered Data Request No. 169
9	KKD-33X	PSE Response to NVEC and Front and Centered Data Request No. 170
10		
11	KKD-34X	PSE Response to NVEC and Front and Centered Data Request No. 171
12	KKD-35X	PSE Response to NVEC and Front and Centered Data Request No. 172
13		
14	KKD-36X	PSE Response to NVEC and Front and Centered Data Request No. 173
15	KKD-37X	PSE Response to NVEC and Front and Centered Data Request No. 186
16		
17	KKD-38X	PSE Response to NVEC and Front and Centered Data Request No. 211
18	KKD-39X	PSE Response to NVEC and Front and Centered Data Request No. 213
19		
20	KKD-40X	PSE Response to NVEC and Front and Centered Data Request No. 214
21	KKD-41X	PSE Response to NVEC and Front and Centered Data Request No. 215
22		
23	KKD-42X	PSE Response to NVEC and Front and Centered Data Request No. 216
24	KKD-43X	PSE Response to NVEC and Front and Centered Data Request No. 217 with Attachment A
25		

EXHIBIT INDEX (Continued)

- 1
- 2 KKD-44X PSE Response to NVEC and Front and Centered
Data Request No. 218 with Attachment A
- 3
- 4 KKD-45X PSE Response to NVEC and Front and Centered
Data Request No. 220
- 5 KKD-46X PSE Response to NVEC and Front and Centered
Data Request No. 221 with Attachments AC
- 6
- 7 KKD-47Xr 2021-07-30 Joint Comments on Customer
Benefit Indicators
- 8 KKD-48Xr 2021-11-12 Front and Centered's Comments on
PSE's Draft CEIP
- 9
- 10 KKD-49Xr 2021-11-12 NW Energy Coalition's Comments on
PSE's Draft CEIP
- 11 KKD-50Xr 2022-03-02 Front and Centered's Comments on
PSE's CEIP
- 12
- 13 KKD-51Xr 2022-03-02 NW Energy Coalition's Comments on
PSE's CEIP
- 14 KKD-52X UE-200304 & UG-200305 2021.02.05 NVEC
Comments on Draft IRP
- 15
- 16 KKD-53X UE-200304 & UG-200305 2021-02-05 Staff
Comments on Draft IRP
- 17 KKD-54x UE-200304 & UG-200305 2021-02-25 Sierra Club
Comments on Draft IRP
- 18
- 19 GA-1T Rebuttal Testimony (27 Pages)
- 20 GA-2 Professional Qualifications of Gilbert
Archuleta
- 21 GA-3 U.S. Department of Energy Washington State
Low-Income Weatherization Assistance Manual
- 22
- 23 GA-4 Low Income Needs Assessment Phase I Report
- 24 GA-5 Low Income Needs Assessment Phase 2 Report
- 25

1		EXHIBIT INDEX (Continued)
2	GA-6X	PSE Response to NWEK DR 222
3	GA-7X	PSE Response to NWEK DR 224
4	GA-8X	PSE Response to NWEK and Front and Centered Data Request No. 073
5		
6	GA-9X	PSE Response to NWEK and Front and Centered Data Request No. 075
7	GA-10X	PSE Response to NWEK and Front and Centered Data Request No. 077
8		
9	GA-11X	PSE Response to NWEK and Front and Centered Data Request No. 078
10	GA-12X	PSE Response to NWEK and Front and Centered Data Request No. 179
11		
12	GA-13X	PSE Response to NWEK and Front and Centered Data Request No. 181
13	GA-14X	PSE Response to NWEK and Front and Centered Data Request No. 182
14		
15	GA-15X	PSE Response to NWEK and Front and Centered Data Request No. 183
16	GA-16X	PSE Response to NWEK and Front and Centered Data Request No. 184
17		
18	GA-17X	PSE Response to NWEK and Front and Centered Data Request No. 185
19	GA-18X	PSE Response to NWEK and Front and Centered Data Request No. 187
20		
21	GA-19X	PSE Response to NWEK and Front and Centered Data Request No. 222
22	GA-20X	PSE Response to NWEK and Front and Centered Data Request No. 223
23		
24	GA-21X	PSE Response to NWEK and Front and Centered Data Request No. 224
25		

1		EXHIBIT INDEX (Continued)
2	PJP-1Tr	Rebuttal Testimony (15 Pages)
3	PJP-2	Professional Qualifications of Phillip J. Popoff
4		
5	PJP-3X	PSE Response to NWEAC and Front and Centered Data Request No. 145 (Revised 1/13/23)
6	PJP-4CX	(Excel) ***CONFIDENTIAL*** Confidential PSE Revised Response to NWEAC and Front and Centered Data Request No. 145 Attachment A (native Excel)
7		
8		
9	PJP-5X (excel)	Redacted PSE Response to NWEAC and Front and Centered Data Request No. 145 Attachment A (native Excel)
10		
11	PJP-6X	PSE Response to NWEAC and Front and Centered Data Request No. 146
12	PJP-7X (excel)	PSE Response to NWEAC and Front and Centered Data Request No. 146 Attachment A (native Excel)
13		
14	PJP-8X	PSE Response to NWEAC and Front and Centered Data Request No. 147
15		
16	PJP-9X	PSE Response to NWEAC and Front and Centered Data Request No. 148
17	PJP-10X (excel)	PSE Response to NWEAC and Front and Centered Data Request No. 148 Attachment A (native Excel)
18		
19	PJP-11X	PSE Response to NWEAC and Front and Centered Data Request No. 149
20		
21	PJP-12X (excel)	PSE Response to NWEAC and Front and Centered Data Request No. 149 Attachment A (native Excel)
22		
23	PJP-13X	PSE Response to NWEAC and Front and Centered Data Request No. 150
24	PJP-14X	PSE Response to NWEAC and Front and Centered Data Request No. 151
25		

1		EXHIBIT INDEX (Continued)
2	PJP-15X	PSE Response to NWEAC and Front and Centered Data Request No. 176
3		
4	PJP-16X (excel)	PSE Response to NWEAC and Front and Centered Data Request No. 176 Attachment A (native Excel)
5		
6	PJP-17X	PSE Response to NWEAC and Front and Centered Data Request No. 177
7	PJP-18CX (excel)	***CONFIDENTIAL*** Confidential PSE Response to NWEAC and Front and Centered Data Request No. 177 Attachment A (native Excel)
8		
9	PJP-19X (excel)	Redacted PSE Response to NWEAC and Front and Centered Data Request DR 177 Attachment A (native Excel)
10		
11	PJP-20X	PSE Response to NWEAC and Front and Centered Data Request No. 178
12		
13	PJP-21X	PSE Response to NWEAC and Front and Centered Data Request No. 200
14	PJP-22X	PSE Response to NWEAC and Front and Centered Data Request No. 201
15		
16	PJP-23X	PSE Response to NWEAC and Front and Centered Data Request No. 202
17	PJP-24X	PSE Response to NWEAC and Front and Centered Data Request No. 203
18		
19	PJP-25X	PSE Response to NWEAC and Front and Centered Data Request No. 204
20	PJP-26X	PSE Response to NWEAC and Front and Centered Data Request No. 205
21		
22	PJP-27X	PSE Response to NWEAC and Front and Centered Data Request No. 206
23	PJP-28X (excel)	PSE Response to NWEAC and Front and Centered Data Request No. 206 Attachment A (native Excel)
24		
25		

EXHIBIT INDEX (Continued)

- 1
- 2 PJP-29X PSE Response to NWEAC and Front and Centered
Data Request No. 207
- 3
- 4 PJP-30X PSE Response to NWEAC and Front and Centered
(excel) Data Request No. 207 Attachment A (native
Excel)
- 5
- 6 PJP-31X PSE Response to NWEAC and Front and Centered
Data Request No. 208
- 7 PJP-32X PSE Response to NWEAC and Front and Centered
(excel) Data Request No. 208 Attachment A (native
Excel)
- 8
- 9 PJP-33X PSE Response to NWEAC and Front and Centered
Data Request No. 209
- 10
- 11 PJP-34X PSE Response to NWEAC and Front and Centered
(excel) Data Request No. 209 Attachment A (native
Excel)
- 12
- 13 PJP-35X PSE Response to NWEAC and Front and Centered
Data Request No. 210
- 14 WTE-1T Rebuttal Testimony (31 Pages)
- 15 WTE-2 Professional Qualifications of William T.
Einstein
- 16
- 17 WTE-3X PSE Response to NWEAC and Front and Centered
Data Request No. 189
- 18 WTE-4X PSE Response to NWEAC and Front and Centered
Data Request No. 190
- 19
- 20 WTE-5X PSE Response to NWEAC and Front and Centered
Data Request No. 192 with Attachments AC
- 21 WTE-6X PSE Response to NWEAC and Front and Centered
Data Request No. 193
- 22
- 23 WTE-7X PSE Response to NWEAC and Front and Centered
Data Request No. 194 with Attachment A
- 24 WTE-8X PSE Response to NWEAC and Front and Centered
Data Request No. 226
- 25

1		EXHIBIT INDEX (Continued)
2	AJP-1T	Rebuttal Testimony (25 Pages)
3	AJP-2	Professional Qualifications of Austin J. Phillips
4		
5	AJP-3	May 17, 2021, Equity Advisory Group Meeting Summary
6	AJP-4	May 24, 2021, Equity Advisory Group Meeting Summary
7	AJP-5	June 21, 2021, Equity Advisory Group Meeting Summary and Presentation Excerpt
8		
9	AJP-6	September 27, 2021, Equity Advisory Group Meeting Summary
10	AJP-7X	PSE Response to NWECC DR 225
11	AJP-8X	PSE Response to NWECC and Front and Centered Data Request No. 014
12		
13	AJP-9X (excel)	PSE Response to NWECC and Front and Centered Data Request No. 014 Attachment A (native Excel)
14		
15	AJP-10X	PSE Response to NWECC and Front and Centered Data Request No. 015
16	AJP-11X (excel)	PSE Response to NWECC and Front and Centered Data Request No. 015 Attachment A (native Excel)
17		
18	AJP-12X	PSE Response to NWECC and Front and Centered Data Request No. 016
19		
20	AJP-13X (excel)	PSE Response to NWECC and Front and Centered Data Request No. 016 Attachment A (native Excel)
21		
22	AJP-14X	PSE Response to NWECC and Front and Centered Data Request No. 017
23	AJP-15X (excel)	PSE Response to NWECC and Front and Centered Data Request No. 017 Attachment A (native Excel)
24		
25		

EXHIBIT INDEX (Continued)

- 1
- 2 AJP-16X PSE Response to NVEC and Front and Centered
Data Request No. 018
- 3
- 4 AJP-17X PSE Response to NVEC and Front and Centered
(excel) Data Request No. 018 Attachment A (native
Excel)
- 5
- 6 AJP-18X PSE Response to NVEC and Front and Centered
Data Request No. 041
- 7 AJP-19X PSE Response to NVEC and Front and Centered
Data Request No. 042
- 8
- 9 AJP-20X PSE Response to NVEC and Front and Centered
Data Request No. 047
- 10 AJP-21X PSE Response to NVEC and Front and Centered
Data Request No. 052
- 11
- 12 AJP-22X PSE Response to NVEC and Front and Centered
(excel) Data Request No. 052 Attachment A (native
Excel)
- 13
- 14 AJP-23X PSE Response to NVEC and Front and Centered
Data Request No. 067
- 15 AJP-24X PSE Response to NVEC and Front and Centered
(excel) Data Request No. 067 Attachment A (native
Excel)
- 16
- 17 AJP-25X PSE Response to NVEC and Front and Centered
Data Request No. 068
- 18
- 19 AJP-26X PSE Response to NVEC and Front and Centered
(excel) Data Request No. 068 Attachment A (native
Excel)
- 20
- 21 AJP-27X PSE Response to NVEC and Front and Centered
Data Request No. 195
- 22 AJP-28X PSE Response to NVEC and Front and Centered
Data Request No. 196
- 23
- 24 AJP-29X PSE Response to NVEC and Front and Centered
Data Request No. 198
- 25

EXHIBIT INDEX (Continued)

- 1
- 2 AJP-30X PSE Response to NVEC and Front and Centered
 Data Request No. 225
- 3
- 4 JES-1T Responsive Testimony (47 Pages)
- 5 JES-2 Comparison of Planning Processes
- 6 JES-3 Staff's Recommended Conditions
- 7 JES-4 Energy Equity Project Report
- 8 JES-5 PSE Response to UTC Staff Data Request No. 7
- 9 JES-6 PSE Response to UTC Staff Data Request
 No. 15
- 10
- 11 JBN-1T Responsive Testimony(23 pages)
- 12 JBN-2 Indications of Demand Response Increasing
 Cost-effectiveness Since Filing of PSE's
13 2021 CEIP
- 14 JBN-3 PSE Responses to UTC Staff Data Request Nos.
 2, 4, 8, and 10
- 15
- 16 JBN-4 PSE Response to UTC Staff Data Request No. 9
- 17 CDAT-1T Responsive Testimony (40 pages)
- 18 CDAT-2 List of Prior Proceedings and Testimony for
 Witness Dahl
- 19
- 20 CDAT-3 Public Counsel's Updated List of Conditions
- 21 CDAT-4 Public Counsel's CEIP Comments filed
 (excel) March 2, 2022, with Appendix B
- 22 CDAT-5 PSE Response to Public Counsel's Data
 Request No. 8
- 23
- 24
- 25

1		EXHIBIT INDEX (Continued)
2	LAS-1T	Responsive Testimony (15 pages)
3	LAS-2	Comments of The Energy Project Regarding
4		Final PSE Clean Energy Implementation Plan,
5		March 2, 2022, and accompanying Tables 1
6		and 2
6	LDK-1T	Responsive Testimony (12 pages)
7	LDK-2	Qualification Statement of Lance D. Kaufman
8	LDK-3	Discovery Responses
9		
10	EKH-1T	Responsive Testimony (38 pages)
11	EKH-2	Professional Qualifications for Elaine K.
12		Hart
13	EKH-3	Simplified portfolio and dispatch
14	(excel)	optimizations for stylized system
15	EKH-4	Estimated WA Wind rLCOE and SCGHG breakeven
16	(excel)	cost in IRP
17	EKH-5	Estimated WA Wind rLCOE with resource cost
18	(excel)	updates in CEIP
19	EKH-6	PSE's Response to Front and Centered and NW
20		Energy Coalition Data Request No. 147
21	EKH-7	Presentation from 2021 ELCC Workshop
22	EKH-8	E3's Review of Puget Sound Energy ELCC
23		Methodology
24	EKH-9	PSE's presentation from the August 24, 2022
25		Resource Adequacy Information Session
	EKH-10	Estimated costs of reliable capacity from
	(excel)	batteries and gas peaker under different
		ELCCs

	EXHIBIT INDEX (Continued)
1	
2	EKH-11 Estimated SCGHG benefits associated with
3	(excel) reducing existing gas resource dispatch with
4	clean energy additions
5	MFT-1T Responsive Testimony (18 pages)
6	MFT-2 Professional Qualifications for Mariel
7	Thuraisingham
8	MFT-3 List of Front and Centered Coalition Members
9	LCM-1T Responsive Testimony (55 pages)
10	LCM-2 Professional Qualifications for Lauren C.
11	McCloy
12	LCM-3 Final settlement stipulation in PSE's
13	General Rate Case (Docket
14	UE-220066/UG-220067/UG-210918)
15	LCM-4 PSE Response to NWECC DR No. 160
16	LCM-5 Testimony of Josh B. Keeling (Exh. JBK-1T)
17	in PSE's General Rate Case (Docket
18	UE-220066/UG-220067/UG-210918)
19	LCM-6 PSE Response to NWECC DRs No. 152 and 154
20	LCM-7T Cross-Answering Testimony (10 pages)
21	LCM-8 NWECC and Front and Centered's Recommended
22	Conditions for PSE's 2021 CEIP
23	RDC-1Tr Responsive Testimony (67 pages)
24	RDC-2 Professional Qualifications for Roger D.
25	Colton
	RDC-3 PSE Response to NWECC and Front and Centered
	Data Request 039
	RDC-4 PSE Response to NWECC and Front and Centered
	Data Request 065

1		EXHIBIT INDEX (Continued)
2	RDC-5	PSE Response to NWECC and Front and Centered Data Request 066
3		
4	RDC-6 (excel)	PSE Response to NWECC and Front and Centered Data Request 049, Attachment B
5	RDC-7	PSE Response to NWECC and Front and Centered Data Request 129
6		
7	RDC-8	PSE Response to NWECC and Front and Centered Data Request 049
8	RDC-9	PSE Response to NWECC and Front and Centered Data Request 049, Attachment A
9		
10	RDC-10 (excel)	PSE Response to NWECC and Front and Centered Data Request 050, Attachment A
11	RDC-11	PSE Response to NWECC and Front and Centered Data Request 108
12		
13	RDC-12	PSE Response to NWECC and Front and Centered Data Request 109
14	RDC-13	PSE Response to NWECC and Front and Centered Data Request 080
15		
16	RDC-14	PSE Response to NWECC and Front and Centered Data Request 081
17	RDC-15	PSE Response to NWECC and Front and Centered Data Request 083
18		
19	RDC-16	PSE Response to NWECC and Front and Centered Data Request 084
20	RDC-17	CECo Settlement re geo-targeting pilot, Michigan PSC (March 17, 2022)
21		
22	RDC-18	Letter from DTE to Administrative Law Judge VanSteel, Docket U-18262, Settlement (March 20, 2018)
23		
24	RDC-19	PSE Response to NWECC and Front and Centered Data Request 074
25	RDC-20	PSE Response to NWECC and Front and Centered

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

EXHIBIT INDEX (Continued)

RDC-21X NWEC and FAC Response to PSE Data Request
Nos. 003

RDC-22X NWEC and FAC Response to PSE Data Request
Nos. 004

RDC-23X NWEC and FAC Response to PSE Data Request
Nos. 007

RDC-24X NWEC and FAC Response to PSE Data Request
Nos. 008

SR-1T Responsive Testimony (55 pages)

SR-2 Professional Qualifications for Scott Reeves

1 LACEY, WASHINGTON; JANUARY 31, 2023

2 9:30 A.M.

3 --oOo--

4 P R O C E E D I N G S

5

6 JUDGE HOWARD: Let's be on the record.

7 Good morning. It is Tuesday, January 31st,

8 and the time is 9:32 a.m. My name is Michael Howard.

9 I'm an Administrative Law Judge with the Commission.

10 And I see I need to turn my video on.

11 And I am presiding in this matter, along

12 with the Commissioners who will join us shortly.

13 We're here today for an evidentiary hearing

14 in Docket UE-210795.

15 This case is captioned in the matter Puget

16 Sound Energy's Clean Energy Implementation Plans

17 pursuant to WAC 480-100-640.

18 Let's started by taking appearances,

19 beginning with the company.

20 MS. BARNETT: Good morning, Your Honor.

21 Donna Barnett with Perkins Coie on behalf of Puget Sound

22 energy.

23 JUDGE HOWARD: All right. Thank you.

24 And I'm not sure if it's just on my end.

25 But I'm not seeing the video feed from your conference

1 room at the moment.

2 MS. BARNETT: That is intended if that's
3 okay. We have every -- all the witnesses and attorney
4 and me on our laptop videos, but the audio is going
5 through the conference room. So that's why you see the
6 conference room but no video.

7 JUDGE HOWARD: That's perfectly fine, then.
8 Could we have an appearance from staff.

9 MR. CALLAGHAN: Thank you, Your Honor.
10 Assistant Attorney General Nash Callahan here on behalf
11 of commission staff. With me today is Jennifer Snyder
12 and Joel Nightingale.

13 JUDGE HOWARD: Thank you.
14 Do we have an appearance for Public Counsel.

15 MS. SUETAKE: Good morning. This is Nina
16 Suetake. Here on behalf of Public Counsel Unit.

17 JUDGE HOWARD: And could we hear from AWEC?

18 MS. MOSER: Good morning, Your Honor.
19 Sommer Moser with Davison Van Cleve on behalf of the
20 Alliance of Western Energy Consumers.

21 JUDGE HOWARD: Thank you.
22 Could we have an appearance for NWECA and
23 Front and Centered?

24 MS. GOODIN: Good morning, Your Honor.
25 Amanda Goodin with Earthjustice here on behalf of Front

1 and Centered and the Northwest Energy Collision and
2 my colleague Molly Tack-Hooper is here as well.

3 JUDGE HOWARD: Great. Thank you.

4 And just to confirm, NWECC and Front and
5 Centered will be -- will the two parties be presenting
6 jointly today consistent with the testimony filed
7 earlier?

8 MS. GOODIN: Yes. Correct.

9 THE COURT: Okay. And could we have an
10 appearance for The Energy Project?

11 MR. FFITCH: Good morning. Simon ffitich
12 appearing on behalf of the Energy Project.

13 JUDGE HOWARD: Thank you.

14 And do we have anyone from Renewable
15 Northwest appearing today? All right. Hearing none.

16 So next I want to give a brief roadmap for
17 our plans for the hearing today. We'll begin in a
18 moment with admitting evidence and addressing any
19 objections to the evidence.

20 After the Commissioners join us at about
21 9:45 a.m., we will then allow the parties to provide
22 brief opening statements limited to ten minutes each.
23 We'll then turn to the cross-examination of witnesses
24 following the order of presentation that I circulated to
25 the parties earlier.

1 And I wanted to note for the parties that in
2 addition to, likely, bench questions for company
3 witnesses, we have, likely, bench questions for
4 witnesses: McCloy, Colton, Tam, and Snyder.

5 And I also wanted to remind the parties that
6 if you do plan to -- to raise specifically -- specific
7 information has been marked confidential in your
8 cross-examination of a witness, please give me a
9 heads-up either in advance or when you're beginning your
10 cross-examination so we can ensure the hearing room is
11 limited only to individuals who have signed the
12 protective order/confidentiality agreements.

13 So the parties estimate that there will be
14 approximately three hours of cross-examination today.
15 If we account for opening statements, a brief
16 mid-morning break and a lunch break, it is likely that
17 our hearing will end by early afternoon.

18 And if you are observing, you might want to
19 make sure that your line is muted if you're not
20 intending to speak.

21 I also want to remind the parties again -- I
22 was actually just about to say this -- to keep your
23 microphones muted unless they are speaking and also only
24 to use video for those portions of the hearing when they
25 have a speaking role.

1 If you are having a technical issue or you
2 observe that someone has dropped off the call, please
3 raise that issue in chat here in the Zoom conference.
4 The Zoom chat should be reserved for such technical
5 issues and requests for breaks and similar matters.

6 Are there any questions, concerns, or
7 housekeeping matters before we move on to exhibits?

8 MR. CALLAGHAN: Judge Howard, I do have a
9 brief preliminary matter.

10 So earlier in this proceeding you sent the
11 parties an email related to the public comments summary.
12 And staff is working with Public Counsel on that. But
13 we just want to know whether the Commission wants that
14 summary to include comments that were filed before the
15 adjudication began in this case or not? And we're ready
16 to accommodate either.

17 JUDGE HOWARD: Thank you.

18 That is a good question.

19 My directions on that are going to depend on
20 how the exhibits are admitted. If there's objections to
21 incorporating earlier written comments, then that's
22 going to affect my directions on that issue.

23 But I do appreciate Staff and Public Counsel
24 working together on that. I recognize that there are a
25 large number of comments in the docket. It may take

1 additional time and I do want to revisit that issue, at
2 the very least, at the end of the hearing today.

3 MR. CALLAGHAN: That's all I had. Thank
4 you.

5 MS. BARNETT: Before we move off that
6 subject, I wanted to add that Puget Sound Energy has
7 received comments from customers that they not
8 necessarily be in the -- in the docket.

9 I'm happy to work with Public Counsel
10 separately on getting those in the record if they are
11 intended to be so, but some of them came directly to
12 PSE. So I wanted to make sure that we got those in the
13 record, if appropriate.

14 JUDGE HOWARD: All right. Thank you.

15 And just because I'm not seeing the name of
16 the speaker, could you identify yourself?

17 MS. BARNETT: Sorry. This is Donna Barnett.

18 JUDGE HOWARD: All right. Thank you.

19 I thought so. I just want to confirm -- if
20 the company could work with Public Counsel and staff on
21 that, that -- that would be appropriate. Thank you.

22 MS. SUETAKE: Your Honor, this is Nina
23 Suetake from Public Counsel. Quick question about that.

24 If the comments were sent to PSE directly
25 and were not also filed as comments with the UTC, would

1 the inclusion of them in the public comment exhibit
2 alone be enough as sort of a -- to prove that they have
3 been sent in, if you know what I'm -- I'm -- I'm trying
4 to -- I'm being a little confusing, but I'm not quite
5 sure how that -- we would authenticate those, really.

6 JUDGE HOWARD: Yes. I -- I -- I mean, as --
7 in a way, you are asking whether we would need to take
8 additional steps or just posting them to the docket or
9 something of that nature?

10 MS. SUETAKE: Yes.

11 JUDGE HOWARD: Okay. I don't expect that
12 that would be necessary. I -- I would just encourage
13 Public Counsel to follow its -- its normal practice and
14 judgment working with the company on that. And
15 including them -- from my perspective, including them in
16 the public comment exhibit would be sufficient.

17 MS. SUETAKE: Okay. Thank you.

18 JUDGE HOWARD: With that, let's turn to the
19 admissibility of the pre-filed testimony and exhibits.
20 In my email to the parties last week, I circulated my
21 exhibit list. That included PSE's Clean Energy
22 Implementation Plan, CEIP, with attachments and all the
23 pre-filed exhibits and testimony up to and including
24 cross-exhibits filed on January 24th. And there are
25 also errata to cross-exhibits filed by NWECC and Front

1 and Centered after that date that I have since reflected
2 in the exhibit list.

3 I've requested the parties provide any
4 evidentiary objections in writing by 5:00 p.m. on Friday
5 the 27th. I have not received any objections at this
6 point -- although there was an issue raised about
7 potential duplication and that was addressed.

8 Do the parties at this point stipulate to
9 the admissibility of all the pre-filed exhibits and
10 testimony? I would turn first to the company.

11 MS. BARNETT: Thank you, Your Honor.

12 We, PSE -- I apologize for not filing a
13 written objection earlier, but we we're still reviewing
14 the cross-exam exhibits.

15 So Puget Sound Energy will stipulate to all
16 of the exhibits except for two. And that is Exhibit
17 KKD-10X and KKD-44X.

18 JUDGE HOWARD: All right. So that was
19 KKD-10X and KKD-44X?

20 MS. BARNETT: That's right.

21 JUDGE HOWARD: Let's give everyone just a
22 moment to -- to look through these.

23 So it looks like KKD-10X is cross exhibits
24 submitted by Public Counsel. And 44X was submitted by
25 Front and Centered and NWECC.

1 MS. BARNETT: That's right. KKD-10X is
2 PSE's "2023 Distributed Solar and Storage Resources,
3 Request for Proposals.

4 And KKD-44X, that NWECC sponsored is the
5 electric draft portfolio results. That's Attachment A
6 to the data request response.

7 JUDGE HOWARD: All right. And what is the
8 basis for your objections?

9 MS. BARNETT: They are both foundation and
10 relevance for both.

11 Regarding KKD-10X, the -- the Distributed
12 Solar and Storage Resources was not -- not introduced by
13 any party at PSE. It is -- was just, I think, finished
14 or created a month ago or so.

15 There's no foundation established and -- and
16 relevance for the -- I'm not sure how it's intended to
17 be used, but since it was just finished, it's not
18 relevant to the issues of whether the CEIP that was
19 written in 2021 meets CETA or should be approved.

20 And the same with -- I don't know if you
21 want to take that separately, but I can elaborate on my
22 objections to KKD-44X.

23 JUDGE HOWARD: Please proceed with that and
24 then we will hear from both of the parties.

25 MS. BARNETT: Thank you.

1 It is the same objections, foundation and
2 relevance, for electric draft portfolio results. The
3 Attachment A to the data request response was -- first
4 of all, the witness identified as knowledgeable was not
5 the witness it was directed to. So there's a lack of
6 foundation for the witness. But also this is a draft
7 document that is not finished, it's not been vetted.
8 It's still in process of being created and -- and again,
9 this is the same relevance argument that has limited
10 relevance, if any at all, to the issues in this case
11 that is the 2021 CEIP and whether that meets CETA and
12 should be approved.

13 JUDGE HOWARD: All right. Thank you.

14 Could I hear from Public Counsel, their
15 response on KKD-10X?

16 MS. SUETAKE: Yes. Thank you.

17 On further discussion with my witnesses, I
18 think we are fine with removing that exhibit from the
19 list of exhibits.

20 JUDGE HOWARD: Okay. Thank you.

21 Can I hear from NVEC and Front and Centered
22 on KKD-44X?

23 MS. GOODIN: Yes, Your Honor. This exhibit
24 underscores Front and Centered and NVEC's argument that
25 PSE has not satisfied its obligation to pursue all

1 cost-effective demand response and that their target is
2 out of alignment with the realities driving the need for
3 demand response.

4 The -- PSE hired E3 to, among other things,
5 update the ELCC values to reflect the demand response
6 contribution to summer and winter peak and the
7 attachment shows that in 2029, PSE will be able to meet
8 seven percent of winter peak with demand response and
9 nine percent of summer peak, numbers that are about 8 to
10 10 times higher than PSE's proposed target for this
11 four-year period.

12 We believe that the Commission can take --
13 you know, can give it the weight it warrants, given that
14 it's a draft. And as for foundation, we would be happy
15 to put either Kara Durbin or Popoff on the stand to lay
16 the foundation.

17 It's not clear to me who PSE thinks is the
18 more appropriate witness, if necessary. But bottom
19 line, we think this is an important piece of evidence
20 that underscores our arguments.

21 JUDGE HOWARD: All right. Thank you.

22 I'm going to reserve a ruling on KKD-44X.

23 When it is time for NWECC and Front and
24 Centered to cross Witness Durbin, I will allow you to
25 explore the issue of the witness' familiarity and the

1 issue of foundation. And then I will rule on any
2 objection at that time.

3 So otherwise, was that -- Ms. Barnett, was
4 that the end of the company's objections to the
5 evidence?

6 MS. BARNETT: Yes, we have no other
7 objections. Thank you.

8 JUDGE HOWARD: All right, then. Thank you.
9 Could I turn next to Staff?

10 MR. CALLAGHAN: Thank you, Your Honor.

11 Staff has no objection and stipulates to the
12 admission of all proposed exhibits.

13 JUDGE HOWARD: Thank you.

14 Could I hear from Public Counsel?

15 MS. SUETAKE: Yes. Public Counsel has no
16 objections and stipulated to the admission of all
17 exhibits.

18 JUDGE HOWARD: Thank you.

19 Could I hear from AWEC?

20 MS. MOSER: Thank you, Your Honor.

21 AWEC has no objections and stipulates to the
22 admission of all exhibits.

23 JUDGE HOWARD: All right. You cut out just
24 briefly, but I caught that AWEC stipulates to the
25 admissibility of the exhibits?

1 MS. MOSER: Yes, I apologize.

2 Are you all having a hard time hearing me?

3 JUDGE HOWARD: No. It was just for a
4 moment.

5 MS. MOSER: Okay.

6 JUDGE HOWARD: I wanted to be sure that if a
7 party was saying that they stipulated to something that
8 I was very clear that I heard them correctly.

9 MS. MOSER: Great. Thank you.

10 JUDGE HOWARD: Could I hear from NWECC and
11 Front and Centered?

12 MS. GOODWIN: NWECC and Front and Centered
13 have no objection to any exhibit and stipulate to the
14 admissibility of all of them.

15 JUDGE HOWARD: Thank you.

16 Could I hear from The Energy Project?

17 MR. FITCH: Thank you, Your Honor.

18 The Energy Project has no objection to any
19 of the exhibits and we stipulate to their admission.

20 JUDGE HOWARD: All right. Thank you.

21 And as I observed earlier, Renewable
22 Northwest is not present today, so I'm not hearing any
23 objections from them.

24 In that case, I am going to deem -- I'm
25 going to find and deem that all of the pre-filed

1 testimony and exhibits are admitted with the exception
2 of KKD-10X, which has been withdrawn by Public Counsel
3 and KKD-44X on which I am reserving my ruling until the
4 cross.

5 I will provide a copy of this exhibit list
6 to the court reporter so it will be made part of this
7 record after this hearing.

8 So with that, we are at 9:49 a.m. I would
9 like to confirm that we have the Commissioners with us.

10 Chair Danner, Commissioner Rendahl, and
11 Commissioner Doumit, can you hear me?

12 COMMISSIONER RENDAHL: I can. This is
13 Commissioner Rendahl.

14 JUDGE HOWARD: Thank you.

15 COMMISSIONER DOUMIT: I can hear you, Your
16 Honor. Can you hear you?

17 JUDGE HOWARD: Yes.

18 CHAIR DANNER: I can hear you, too, Your
19 Honor.

20 JUDGE HOWARD: All right. Thank you.

21 Could we have brief appearances from the
22 parties now that the Commissioners are on the line. I
23 would turn, first, to the company.

24 MS. BARNETT: Yes, Your Honor. Donna
25 Barnett with Perkins Coie on behalf of Puget Sound

1 Energy.

2 JUDGE HOWARD: Thank you. Could we hear
3 from Staff?

4 MR. CALLAGHAN: Thank you, Your Honor.
5 Nash Callaghan, Assistant Attorney General
6 on behalf of Commission Staff.

7 JUDGE HOWARD: All right. Can we have
8 appearance from Public Counsel?

9 MS. SUETAKE: Thank you.
10 This is Nina Suetake on behalf of Public
11 Counsel.

12 JUDGE HOWARD: Could we have an appearance
13 from AWEC?

14 MS. MOSER: This is Sommer Moser on behalf
15 of AWEC.

16 JUDGE HOWARD: Thank you.
17 Could we have an appearance from NVEC and
18 Front and Centered?

19 MS. GOODIN: Thank you, Your Honor.
20 Amanda Goodwin with Earthjustice on behalf
21 of Front and Centered and the Energy Coalition. And my
22 colleague Molly Tack-Hooper is with me.

23 THE COURT: Thank you.
24 Do we have an appearance from The Energy
25 Project?

1 MR. FFITCH: Morning. Simon ffitch
2 appearing on behalf of The Energy Project.

3 JUDGE HOWARD: Thank you.

4 And I have observed that, although Renewable
5 Northwest has been granted intervener status, they are
6 not present at the hearing today and have not filed any
7 testimony.

8 So with that, let's turn to opening
9 statements. As I indicated in my earlier email to the
10 parties, we will allow each party the opportunity for a
11 brief opening statement limited to ten minutes,
12 preferably. Let's allow PSE to proceed -- proceed first
13 with that, if they wish.

14 MS. BARNETT: Thank you.

15 Thank you, Judge Howard. And good morning,
16 Chair Danner, Commissioners Rendahl and Doumit and
17 everyone participating today.

18 Just over three years ago, the Commission
19 adopted rules implementing Washington's Clean Energy
20 Transformation Act or "CETA." In the order adopting
21 those rules, the Commission reflected on CETA, calling
22 it a "novel and complex statute."

23 The Commission stated in that order that the
24 process of implementing CETA is an iterative process and
25 the rules adopted that day represented just the first

1 step in implementing the statutory requirements of CETA.

2 The Commission said it expects additional
3 rule-makings to implement the law, modifications, and
4 refinements of those rules, and overall improvements in
5 the process as all stakeholders gain experience and
6 understanding of the law.

7 One year after the Commission adopted its
8 rules, PSE submitted its first Clean Energy
9 Implementation Plan. That CEIP presented in this
10 proceeding is PSE's first step in its clean energy
11 transformation under CETA. The CEIP represents years of
12 preparation; however, it grew out of PSE's Clean Energy
13 Action Plan which was part of PSE's 2021 Integrated
14 Resource Plan.

15 The Integrated Resource Plan, itself, is
16 informed by extensive public input, but the CEIP
17 involved a whole new level of engagement, collaboration,
18 and dialogue with interested parties.

19 Throughout the development process, PSE
20 convened and consulted with the new Equity Advisory
21 Group in addition to PSE's other advisory groups. PSE
22 also held numerous meetings with community-based
23 organizations, including one specifically for
24 Spanish-speaking customers.

25 PSE conducted a survey of residential and

1 business customers and community members, held an open
2 house, and reviewed hundreds of comments that helped
3 shape the final CEIP. PSE undertook all these
4 activities to ensure that this CEIP meets the
5 requirements of CETA and lays out a path towards an
6 equitable distribution of energy -- of clean energy
7 benefits. The plan is ambitious but achievable.

8 One important area of focus in the
9 development of the CEIP is the purposeful integration of
10 equity. PSE began building key new processes designed
11 to help place substantive emphasis on key areas where it
12 can improve equitable energy outcomes. These include
13 identifying vulnerable populations and highly impacted
14 communities, developing customer benefits indicators and
15 associated metrics, applying benefits and burdens
16 considerations to elements of the CEIP, and others.
17 Improving equitable energy outcomes is a process and the
18 work represented in the first CEIP is a starting point
19 that the company plans to continue building upon.

20 This CEIP was developed using the best and
21 most up-to-date information at the time it was created.
22 In fact, PSE made a significant change to its resource
23 costs between the Draft and Final CEIP in response to
24 feedback from some of the parties in this proceeding.

25 And in the time since the CEIP was

1 initiated, PSE has already gained experience that will
2 inform the next generation of the CETA process, this
3 year's biennial update.

4 For example, as explained in the rebuttal
5 testimony of PSE witness Kara Durbin, the results from
6 PSE's recent targeted distributed energy resources
7 request for proposals indicate that PSE will be able to
8 increase the demand response target to at least
9 60 megawatts, which is more than double the 23.7
10 megawatts proposed in the 2021 CEIP.

11 Also, PSE committed in the CEIP to make
12 progress in specific areas where it wanted to do more
13 but could not in this first CEIP because the data simply
14 was not there.

15 One example is incorporating the effect of
16 climate change in the modeling, something PSE is already
17 incorporating into its work. This type -- is the type
18 of iterative process we believe the Commission and the
19 legislature had in mind. Using the best data from
20 reliable sources to establish ambitious targets then
21 building on them in each step and incorporating the
22 lessons learned along the way.

23 PSE has already learned a great deal in this
24 process. Although we are not presenting a unified
25 settlement for your consideration, we are presenting a

1 Final CEIP that reflects the comments and concerns of
2 hundreds of interested parties and customers. This has
3 not been an adversarial process. It has been truly
4 collaborative. And with that in mind, PSE looks forward
5 to answering your questions today and receiving your
6 approval on the Final CEIP so we can quickly move
7 forward on the work that has already begun.

8 Thank you.

9 JUDGE HOWARD: Thank you, Ms. Barnett.

10 Would staff like to provide a brief opening
11 statement?

12 MR. CALLAGHAN: I would, Your Honor.

13 Good morning, Commissioners. Good morning,
14 Your Honor.

15 This is the Commission's first contested
16 CEIP. In light of that, I think it's important to
17 reflect on what the legislature hoped to achieve with
18 CETA.

19 If CETA's one and only goal were to change
20 the utilities resource mix, the law could have been
21 written quite simply. Get out of coal by 2026, be
22 greenhouse gas neutral by 2030, and be a hundred percent
23 renewable or non-emitting by 2045.

24 But as the Commission is well aware, those
25 are not CETA's only goals. The law also requires that

1 utilities achieve this transition equitably and at
2 lowest reasonable cost to ratepayers. Those
3 requirements are the heart of what remains contested in
4 this case.

5 Commission Staff is not challenging PSE's
6 proposed interim or specific targets, but does raise
7 some significant concerns about the plan and recommends
8 approving the CEIP with conditions, which are listed in
9 Exhibit JES-3. The contested issues before the
10 Commission today are essentially over what conditions
11 the Commission should place on approval of the CEIP and
12 when those conditions should be met.

13 With that in mind, Commissioners, Judge
14 Howard, as you are making your decision in this case, I
15 want to ask -- I want you to ask yourselves three
16 questions.

17 First, do I have enough information to
18 decide; do I have enough information to decide whether
19 or not the actions PSE proposes will result in a lowest
20 reasonable cost portfolio; do I have enough information
21 to decide whether this plan meets CETA's equity
22 requirements?

23 Second, what additional information do I
24 need to decide; what additional information would make
25 me confident that PSE's proposals will lead to a lowest

1 reasonable cost portfolio; what additional information
2 would give me confidence that this plan meets CETA's
3 equity requirements?

4 Third, when do I need this information; how
5 long can or should I wait for the information that we
6 need; can this wait until October 1, 2025?

7 That last question is really the core of the
8 contested issues before you today.

9 PSE, in its rebuttal testimony, asks that
10 besides the commitments it made in chapter eight of the
11 CEIP and a few others, any other condition that the
12 Commission adds should apply only to the 2025 CEIP.

13 So the question is are you comfortable
14 waiting that long?

15 This is where it's important to step back
16 and look at the big picture.

17 PSE reported its 2020 baseline that it was
18 serving retail load with 33 percent renewable and
19 non-emitting resources. The company is asking the
20 Commission to approve an interim target of 63 percent in
21 2025.

22 Now, a simplified way to look at the clean
23 energy transition is to consider it in terms of getting
24 from where a utility is now to a hundred percent
25 renewable and non-emitting. When you think about PSE's

1 proposal in those terms, the company is planning to
2 achieve about 45 percent of its transition by the end of
3 this first compliance period.

4 I want to be clear that Staff is not
5 opposing that interim target. However, if a significant
6 portion of the clean energy transition is occurring
7 within this four-year period, that places an even
8 greater emphasis on the need to ensure that this plan
9 complies with CETA's equity and lowest reasonable cost
10 requirements.

11 If almost half of the transition is
12 happening by 2025, the Commission should get the
13 information it needs now or as soon as humanly possible,
14 not in October 2025. That is why Staff asked the
15 Commission to approve the CEIP but with the proposed
16 conditions outlined in Exhibit JES-3. The conditions
17 Staff recommends are reasonable, achievable, and
18 necessary.

19 Thank you.

20 JUDGE HOWARD: All right. Thank you.

21 Could we hear from Public Counsel?

22 MS. SUETAKE: I'm sorry. I think I just
23 froze. Can you all hear me?

24 JUDGE HOWARD: I can hear you, but it does
25 look like your video is frozen.

1 MS. SUETAKE: Okay. How is that? Sorry. I
2 apologize. It looks like Zoom just restarted on me.

3 JUDGE HOWARD: I think it's working now.

4 MS. SUETAKE: Okay. Thank you.

5 I apologize.

6 Good morning, Chair Danner, Commissioners
7 Rendahl and Doumit, and ALJ Howard.

8 Public Counsel recognizes that the CEIP
9 process will be iterative and evolving. That being
10 said, the utilities plans must still meet the statutory
11 requirement of the Clean Energy Transformation Act and
12 Commission Rules.

13 Public Counsel supports PSE's proposed
14 interim target of 63 percent renewable electricity by
15 2025 but has concerns with other aspects of the plan.

16 In keeping with the iterative nature of this
17 planning process, Public Counsel has made a number of
18 recommendations and proposed conditions to align the
19 current CEIP, the 2023 biennial update and the 2025 CEIP
20 with statutory requirements.

21 Public Counsel included a full list of
22 conditions with its filed testimony, so I will only
23 touch on a few of the primary conditions.

24 First, Public Counsel recommends that the
25 UTC require PSE to include customer benefit indicators

1 and metrics that measure customer energy burden,
2 arrearages, and disconnections in this current CEIP.

3 Public Counsel also recommends that PSE
4 include an updated set of CBIs and metrics in its 2023
5 biennial update and also create a publically accessible
6 and comprehensive report card on all metrics PSE reports
7 to the UTC.

8 Second, Public Counsel recommends that the
9 UTC require PSE do additional distributional equity
10 analysis to ensure the equitable distribution of
11 customer benefits, include its findings in the 2023
12 biennial update, and incorporate this analysis into its
13 2023 CEIP.

14 Third, Public Counsel recommends that the
15 Commission require PSE to remove its discussion of the
16 proposed -- of its included distributed energy resource
17 selection process from the current CEIP.

18 PSE's process improperly uses CBIs and
19 metrics in a manner that results in a portfolio of
20 costly projects that do not clearly provide benefits to
21 vulnerable and highly impacted communities.

22 Although PSE has indicated in testimony that
23 the resource selection process is illustrative, the bulk
24 of the discussion of the CEIP does not make this clear.

25 Public Counsel recommends that the

1 Commission require PSE to remove the distributed energy
2 resource selection process section from the CEIP as well
3 as the related appendices.

4 Finally, PSE's descriptions of the specific
5 actions it intends to meet -- take to meet its proposed
6 targets fail to adequately identify how each specific
7 action would demonstrate progress towards the target at
8 the lowest reasonable cost, equitably distribute
9 customer benefits and burdens, and mitigate risks to
10 vulnerable communities as required by statute.

11 Public Counsel, therefore, recommends the
12 Commission require PSE to update the narrative
13 description of each specific action to include this
14 information in the 2023 biennial update.

15 It is important to note that Public Counsel
16 would not oppose a faster timeline for any of these
17 conditions. And that's all my comments for now.

18 JUDGE HOWARD: Thank you.

19 Would AWEC like to provide an opening
20 statement?

21 MS. MOSER: Thank you, Your Honor.

22 Can everyone hear me okay? I switched
23 headsets.

24 JUDGE HOWARD: Yes.

25 MS. MOSER: Okay. Great. Yes. Thank you,

1 Judge Howard.

2 Good morning, Chair Danner, Commissioners
3 Rendahl and Doumit.

4 Sommer Moser on behalf of AWEC, and I have
5 just a few brief opening comments to make for you today.

6 Consistent with the position set forth in
7 AWEC's testimony, AWEC remains concerned that
8 PSE's renewable energy targets and renewable energy
9 acquisitions deviate from the least costly expressed
10 plan identified in its IRP and therefore do not
11 represent a cost-effective strategy for achieving CETA
12 compliance.

13 AWEC's analysis is that this changes -- the
14 changes to the renewable energy targets and resource
15 acquisitions result in an excess cost to customers of
16 \$500 million. This issue, coupled with PSE's treatment
17 of the cost cap as a spending target raises concerns
18 that customers are facing higher costs than are
19 necessary to achieve CETA compliance in this compliance
20 period.

21 As Mr. Callaghan just pointed out, PSE is
22 using this initial compliance period to achieve a
23 significant amount of its compliance requirements.

24 As justification for this plan, PSE offers
25 that its drivers for deviating from the IRP are related

1 to stakeholder requests. As set forth in AWEC's
2 testimony, that rationale is not sufficient
3 justification for increased cost to customers who are
4 already facing significant cost increases from PSE's
5 general rate cases, other dockets, and other policies.
6 Therefore, AWEC continues to recommend that PSE utilize
7 linear glide path with resources identified in its 2021
8 IRP to meet renewable energy targets because that is the
9 most cost effective compliance strategy for meeting CETA
10 requirements.

11 PSE is also asking for guidance on the
12 incremental cost cap in two circumstances.

13 First, on how to proceed if compliance with
14 its CEIP would cause it to exceed the two percent
15 incremental cost cap.

16 And then, second, if PSE's costs are less
17 than the two percent, whether it should continue to
18 pursue additional resources through its RFP to spend up
19 to the two percent so, essentially, treating the two
20 percent as a cost target.

21 As set forth in AWEC's testimony, I have
22 strong concerns with PSE's requests for guidance at this
23 juncture and how this may effect cost recovery and
24 future proceedings.

25 Fundamentally, AWEC continues to find that

1 PSE remains responsible for making prudent business
2 decisions in achieving CETA compliance and should not be
3 insulated from this obligation by any guidance that the
4 Commission could provide in response to its request in
5 this docket.

6 AWEC, therefore, requests that the
7 Commission make clear to PSE that if it deviates from
8 its approved CEIP based on its calculation of
9 incremental cost, it does so at its own risk.

10 AWEC also continues to recommend that the
11 Commission direct PSE to refrain from further
12 accelerating renewable energy targets in the event that
13 costs are less than planned and that PSE refrain from
14 pursuing its approved targets in the event that doing so
15 would require PSE to exceed the two percent incremental
16 cost cap.

17 Thank you.

18 JUDGE HOWARD: Turn next to NWECC and Front
19 and Centered.

20 MS. GOODIN: Thank you, Your Honor.

21 Good morning, Commissioners.

22 My name is Amanda Goodin, and I'm
23 represented Front and Centered and the Northwest Energy
24 Collision.

25 Front and Centered advocates for frontline,

1 low income and black, brown, and indigenous and other
2 communities of color working to achieve a just and
3 equitable transition to a clean energy future in
4 Washington.

5 The Northwest Energy Collision is a longtime
6 advocate for an energy future that is clean, reliable,
7 affordable, and equitable.

8 Commissioners, this is the first Clean
9 Energy Implementation Plan to come before you for
10 adjudication under Washington's Clean Energy
11 Transformation Act, or "CETA" for short.

12 CETA requires utilities to transform our
13 state's electric supply to be a hundred percent clean
14 and to ensure that all customers benefit from this
15 transition.

16 The PSE plan that's before you today commits
17 to real progress on clean energy, though there are some
18 problems that I'll turn to later. But it's the equity
19 provisions of PSE's plan that really fall short. And
20 I'll address those shortcomings.

21 CETA requires utilities to ensure that
22 customers benefit from the clean energy transition; that
23 includes ensuring benefits flow to highly impacted
24 communities and vulnerable populations, which together
25 are named communities.

1 The evidence will show that PSE's plan does
2 not include any concrete commitments to progress on
3 equity for named communities.

4 And remarkably, there is almost no factual
5 dispute about this. PSE has agreed with many of our
6 recommendations and testimony. They have even conceded
7 that they should be held to a higher standard for the
8 equity provisions in their next plan. But a promise to
9 do better next time is not enough to fix this plan.

10 PSE has framed this plan as a first step.
11 But even the first step has to be a meaningful step
12 forward. Without equity commitments, PSE's plan looks
13 like marching in place.

14 Now, in this docket the question the
15 Commission has to decide is whether a plan that lacks
16 concrete commitments to progress on equity complies with
17 CETA.

18 In short, it doesn't. The process of
19 implementing CETA may be iterative, but that process
20 still must start with progress.

21 You've already heard from Commission Staff
22 this morning that a significant portion of the clean
23 energy transition will happen in these next four years.
24 We can't afford to miss this window to make concrete
25 progress on equity.

1 We need an order from the Commission that
2 makes it crystal clear that these plans have to commit
3 to real progress on equity.

4 And we need an order from the Commission
5 that includes conditions of approval adding equity
6 commitments to this plan.

7 We have mandatory equity language in CETA.
8 We have mandatory language in the Commissions rules, and
9 we have recent orders from the Commission in other
10 proceedings that underscore the importance of centering
11 equity in the clean energy transition. But all of this
12 mandatory language may not mean much on the ground
13 unless the Commission requires utilities to include
14 concrete commitments to progress in their implementation
15 plans.

16 I'd like to highlight a few of the ways that
17 PSE's plan falls short on equity commitments. And,
18 again, there's virtually no factual dispute about any of
19 these. In fact, some of these issues may not even come
20 up today because the record is already so clear.

21 For one example, PSE's plan uses customer
22 benefit indicators to measure the impact of PSE's
23 actions on its customers. These indicators have to
24 include impacts like public health benefits, energy
25 security, and the equitable distribution of energy and

1 nonenergy benefits. But PSE hadn't included targets for
2 progress on any of these indicators. PSE hasn't offered
3 a narrative description of how much progress it hopes to
4 make. As the plan is written, providing just one more
5 LED light bulb for one more for highly vulnerable
6 customer would satisfy PSE's indicators. PSE needs a
7 concrete commitment to more than token progress.

8 For another example, PSE's plan doesn't
9 include any commitments to carve out a portion of its
10 distributed energy programs for named communities.

11 The evidence shows that some of these
12 programs have not be equitably enrolled in the past.
13 The evidence also shows that named communities will
14 likely experience barriers to accessing these programs.

15 But PSE's plan doesn't commit to designate a
16 fair portion of these programs specifically for named
17 communities.

18 Another big problem is that PSE's plan
19 doesn't commit to specific actions. Instead, it
20 includes a hypothetical portfolio. But PSE can't
21 consider how its actions will benefit named communities
22 if it hasn't picked the actions yet. Instead, PSE
23 outsourced this analysis to bidders in their
24 confidential responses to PSE's request for proposals.
25 This means the public can't provide meaningful input,

1 both because PSE hasn't picked the actions yet and
2 because the bidder analysis is confidential.

3 The hypothetical actions PSE did include in
4 the plan also fall short and not just because they are
5 only hypothetical. The evidence shows that PSE ignored
6 some of the most important impacts that its actions can
7 have on its customers, like the decision to disconnect
8 customers from their essential electric service. The
9 result is a portfolio that is too short on benefits for
10 named communities.

11 Again, there's no real factual dispute about
12 what the plan includes.

13 PSE agrees that its plan doesn't commit to
14 targets for its customer benefit indicators. PSE agrees
15 it doesn't commit to minimum designations for named
16 communities for its distributed resources. And PSE
17 agrees that its plan doesn't commit to the actual
18 resource actions it will take in the next 40 years.

19 But PSE promises that all of these pieces
20 will be included somewhere else at some other time, in
21 future plans or in updates or in other planning
22 processes.

23 But the Clean Energy Implementation Plan
24 itself is where PSE needs to lay out its equity plan and
25 commitment to progress. This plan is supposed to be the

1 overarching document where PSE compares customer
2 disparities with actions that reduce those disparities.
3 It's where PSE should lay out its commitments in one
4 place so the communities can provide input on PSE's
5 goals and hold PSE accountable to the progress it
6 promises. A piecemeal analysis across dockets, across
7 years, and hidden behind confidential designations can't
8 provide the same vehicle for public input and
9 accountability.

10 PSE needs to commit to progress on equity
11 and those commitments need to be in this plan.

12 I'd like to turn briefly to the clean energy
13 provisions of PSE's plan. Here PSE's plan does have
14 important commitments to progress. The evidence shows,
15 for example, that PSE's interim renewable energy target
16 and its DER subtarget are well-founded. But the clean
17 energy provisions also fall short in several important
18 ways.

19 First, PSE's demand response target is far
20 too low. Demand response is a priority resource under
21 CETA and the evidence shows that PSE should have adopted
22 a much higher target than this plan.

23 Second, PSE's incremental cost calculation
24 is flawed. The evidence shows that PSE attributed cost
25 to CETA that PSE would have incurred anyways. This

1 evidence is un rebutted. PSE's only response is that
2 these costs are reasonable. But reasonableness is not
3 the test for whether costs are incremental to CETA
4 compliance.

5 Finally, PSE relied on a flawed methodology
6 to incorporate the social cost of greenhouse gas
7 emissions into its portfolio models. PSE's flawed
8 methodology overvalues its own fossil fuel resources and
9 led PSE to select a baseline portfolio that was not
10 actually least cost. This flawed methodology didn't
11 affect PSE's interim targets or its CETA portfolio in
12 this plan, but going forward there is a real risk that
13 this flawed methodology will delay the clean energy
14 transition.

15 Commissioners, this is the first Clean
16 Energy Implementation Plan that has come before you for
17 adjudication. And it will set an important precedent
18 for how utilities approach these plans going forward.

19 The evidence shows that with a robust set of
20 additional conditions, this plan can set a strong
21 precedent that PSE and other utilities should follow.
22 We've laid out the conditions that the Commission should
23 adopt in Exhibit LCM-8.

24 The evidence also shows that without these
25 conditions this plan, as currently written, fails to

1 meet CETA's minimum requirements. Thank you.

2 JUDGE HOWARD: All right. Thank you.

3 Would The Energy Project like to provide an
4 opening statement?

5 MR. FFITCH: Yes. Thank you, Your Honor.

6 And good morning, Chair Danner and
7 Commissioner Rendahl and Doumit.

8 I'm Simon ffitich, attorney with The Energy
9 Project, and I would like to add a few brief comments to
10 those you've already heard this morning. I'm really
11 going to echo the opening statements of Staff, Public
12 Counsel and NWECC and Front and Centered. And I'll try
13 to abbreviate a little bit to not be redundant. But I
14 do want to underline some of the points that have
15 already been made.

16 CETA implementation under -- under this CEIP
17 will certainly have a major impact on hundreds of
18 thousands of low income customers, vulnerable
19 populations, and highly impacted communities. And
20 that's why a central goal of CETA, in addition to
21 planning for clean resources is to ensure an equitable
22 transition.

23 We have been actively involved in the CEIP
24 dockets for all three IOUs, and our focus has been on
25 the development of specific CBI and metrics that are

1 tied to the equity goals and the statutory elements of
2 CETA, such as energy security, cost reduction, and
3 reduction of burdens.

4 Our -- our recommended CBIs including, for
5 example, tracking arrearages and disconnection, are
6 designed to measure the tangible reality of customer
7 household experience during the transition to a clean
8 energy environment. And to track whether those customer
9 households are experiencing benefits from the
10 transition.

11 The testimony of Lorena Shah, for The Energy
12 Project, lists the specific CBIs and metrics that we're
13 recommending and provides details supporting discussion
14 to explain the basis for the proposals and also to
15 address Puget's own proposals and how they match up or
16 don't match up. Her testimony provides tables that
17 allow you to have a side-by-side comparison of the
18 different proposals and how they also fit into the
19 framework of the statutory elements. And Ms. Shah is in
20 attendance at the hearing today.

21 Energy Project's proposals were first
22 recommended as a part of a package of a joint advocate
23 proposals presented to the company in July 2021. The --
24 the authors of the initial set of proposals were all
25 members of important commission advisory groups,

1 including the low income advisory group and the CRAG and
2 also Front and Centered as a member of the equity
3 advisory group.

4 Since then, Energy Project and other party
5 recommendations have been brought forward in multiple
6 rounds of comments and in testimony in this case. But
7 unfortunately, Puget has not been open to adopting any
8 condition or modification to the CEIP since it was filed
9 in December of 2021.

10 And their recommendation in this case, as
11 was repeated in their rebuttal testimony, is simply for
12 the Commission to approve the CEIP as filed over a year
13 ago in December 2021.

14 I'd like to just touch on one final point
15 that has been raised eloquently by Mr. Callaghan and
16 other counsel this morning. Time is a critical element
17 for the Commission to consider in this case. There's
18 real urgency here.

19 CETA was enacted in 2019, now nearly three
20 and a half years ago. Puget's final CEIP was filed over
21 one year ago, and since then no progress has been made
22 on incorporating any of the reasonable recommendations
23 of stakeholders and Commission Staff. And Puget's now
24 arguing that it's too late to incorporate any of these
25 new ideas into the current CEIP and that any action on

1 new CBIs or metrics will have to wait another two years
2 until the 2025 CEIP. That 2025 CEIP cycle is the final
3 CEIP cycle before the 2030 deadline.

4 By then, over half of the available time for
5 action between enactment of CETA and the 2030 deadline
6 will have passed. And while all the parties
7 understand -- and we've heard it again this morning --
8 that this is an iterative process, that's not a
9 justification for failure to act now in the current CEIP
10 when there are reasonable and feasible CBIs and metrics
11 with available data that can be adopted now. Climate
12 change is not on hold. The effects of climate change on
13 customers is not on hold. It's important to make this
14 CEIP the best possible initial plan for the company and
15 its customers.

16 So we respectfully request that the
17 Commission condition approval of the 2021 CEIP upon
18 adoption of The Energy Project's recommendations for
19 CBIs and metrics. Thank you.

20 JUDGE HOWARD: All right. Thank you to all
21 the counsel for the parties, that would conclude our
22 opening statements.

23 And now we are going to turn to
24 cross-examination of witnesses. And on the order of
25 presentation I circulated earlier, that means our first

1 witness is PSE witness, Durbin.

2 Witness Durbin, can you turn on your video
3 feed? Your camera? And can you hear me?

4 THE WITNESS: Yes, I can hear you.

5 Can you see me?

6 JUDGE HOWARD: Yes. I am just flipping back
7 and forth here on my Zoom screen to get the right icons
8 to pop-up.

9 Can you please raise your right hand? And I
10 will swear you in.

11 THE WITNESS: Yes.

12 HOWARD JUDGE: Do you swear or affirm the
13 testimony you will give today is the truth, the whole
14 truth, and nothing but the truth?

15 THE WITNESS: Yes, I do.

16 JUDGE HOWARD: All right. Thank you.

17 Ms. Barnett, could you please introduce the
18 witness and tender the witness for cross-examination.

19 MS. BARNETT: Certainly.

20

21 KARA DURBIN, witness herein, having been first
22 duly sworn on oath, was examined
23 and testified as follows:

24 //

25 //

1 DIRECT EXAMINATION

2 BY MS. BARNETT:

3 Q. Ms. Durbin, please state your name and spell
4 your name for the court reporter?

5 A. Yes, Kara Durbin. D-u-r-b-i-n.

6 Q. What is your role at PSE?

7 A. I'm the Director of Clean Energy Strategy.

8 Q. Thank you.

9 MS. BARNETT: And given that the pre-filed
10 exhibits and testimony have already been admitted, Your
11 Honor, PSE presents Kara Durbin for cross-examination.

12 JUDGE HOWARD: All right. Thank you.

13 And Staff indicated cross for this witness.

14 Mr. Callaghan, you may proceed.

15 MR. CALLAGHAN: Thank you, Your Honor.

16 CROSS-EXAMINATION

17 BY MR. CALLAGHAN:

18 Q. Good morning, Ms. Durbin.

19 A. Good morning.

20 Q. Do you have a copy of your rebuttal testimony,
21 Exhibit KKD-60, a copy of the revised CEIP, and
22 Exhibit JES-3 with you?

23 A. I do. They might be across a couple different
24 binders, so if you let me know which one you would like
25 to start with, that would be great.

1 Q. Yes. Could you start with your rebuttal
2 testimony? If you could, turn to page 3 and let me know
3 when you're there.

4 A. I will. Thank you.

5 Could you repeat the page number, please?

6 Q. Page 3.

7 A. I'm there.

8 Q. On lines 5 through 9, you state that, quote:
9 PSE does not suggest in this rebuttal filing that the
10 Commission should wholesale reject all of the conditions
11 offered by the other parties to this proceeding, but
12 rather be judicious about what conditions apply in the
13 near term; is that correct?

14 A. That's correct.

15 Q. All right. So to clarify, PSE is not asking the
16 Commission to limit the conditions of approval to just
17 the commitments that the company made in Chapter 8 of
18 the CEIP; is it?

19 A. That's correct. We've -- in my rebuttal
20 testimony, we've indicated a few areas where the
21 conditions that have been proposed are reasonable and
22 acceptable to the company.

23 Q. All right. And, in fact, in your rebuttal -- in
24 your rebuttal testimony, you identify some of Staff's
25 proposed conditions that the company either completely

1 or partially agrees with; is that right?

2 A. That's correct.

3 Q. All right. But your rebuttal testimony doesn't
4 go through all of the conditions proposed by Staff and
5 state whether or not PSE agrees with them; does it?

6 A. No. We went through, as you noted, several of
7 them, but we did not address each and every one. I
8 think there were over 30 that Staff identified.

9 Q. Okay. Could you please turn to your copy of
10 Exhibit JES-3 and let me know when you're there?

11 A. Yes, I will. Thank you.

12 All right. I'm there. Thank you.

13 Q. All right. Are you familiar with this exhibit?

14 A. Yes, I am.

15 Q. Is it a list of Staff's recommended conditions
16 of the approval CEIP?

17 A. Yes, it is.

18 Q. Could you turn to page 2 and let me know when
19 you are there?

20 A. I'm there. Thank you.

21 Q. If you could please review Staff Conditions 14
22 through 31 and let me know when you're done.

23 A. Yes, I'm done. I'm familiar with 14 through 31.
24 They were included with Chapter 8, commitments by the
25 company.

1 Q. Okay. So you've answered my next question.

2 So Staff Conditions 14 through 31 are basically
3 restatements of the commitments PSE made to -- in
4 Chapter 8?

5 A. That's correct.

6 Q. And you state that in your rebuttal testimony
7 that PSE supports including those commitments as a
8 condition of approval; is that right?

9 A. Yes.

10 Q. All right. So given that Staff Conditions 14
11 through 31 are just restatements of those commitments,
12 does PSE support Staff Conditions 14 through 31?

13 A. Yes, PSE does.

14 Q. All right. So if the Commission were to order
15 PSE to fulfill Staff Conditions 14 through 31, the
16 company could do that?

17 A. Yes. All of those conditions are for the
18 biennial that we made in Chapter 8. And, yes, we could
19 do that.

20 Q. Thank you.

21 Could you please turn to the bottom of page 1,
22 and the top of page 2 in JES-3 and review Conditions 9
23 through 13, and let me know when you're done.

24 A. Certainly.

25 (Reviews document.)

1 Okay. I'm ready. Thank you.

2 Q. In your rebuttal testimony, you state that,
3 quote: For any conditions the Commission might add as a
4 condition of approval beyond the commitments in
5 Chapter 8 of the CEIP, PSE urges that the Commission
6 make those conditions as forward-looking requirements
7 for the 2025 CEIP; is that correct?

8 A. As a general premise, yes.

9 Q. Okay. But to clarify, you aren't stating here
10 that PSE is comfortable with all of the proposed
11 conditions that apply to the 2025 CEIP, are you?

12 A. I'm sorry. Could you restate that question? I
13 got a little lost. Apologies.

14 Q. The quote that I just stated from your rebuttal
15 testimony, you're not saying there that PSE is
16 supportive of any of the proposed conditions as long as
17 they apply to the 2025 CEIP; correct?

18 A. What I was stating in my testimony is, generally
19 speaking, we prefer forward-looking conditions for the
20 2025 CEIP to ensure we have enough time to execute upon
21 those conditions.

22 However, there are a few instances in which we
23 have signaled for the biennial update that there are
24 actions we can take. And some of them are in the
25 condition list that Staff provided in this exhibit.

1 Q. Okay. So there are some conditions that apply
2 to the 2025 CEIP that PSE does not support; correct?

3 A. In -- are you speaking specifically to Staff's?

4 Q. No, just to any of them.

5 A. They are certainly across the record -- across
6 the parties, there are conditions proposed for the 2025
7 CEIP that we, at least, have concerns with the -- what
8 the condition means or how we would be able to
9 accomplish it.

10 Q. Okay. Thank you.

11 And Conditions 9 through 13, again, they apply
12 to the 2025 CEIP; correct?

13 A. That's correct.

14 Q. What is PSE's position on Staff Condition 9?

15 A. On Staff Condition 9, which -- which is
16 requiring us to file a Draft CEIP for the 2025 on a
17 timeline that the company deems sufficient, we're
18 supportive of that condition. And we're also
19 anticipating for the biennial that we would also produce
20 a draft. We think the public engagement step is
21 important. Hearing that feedback and being able to
22 reflect on it for the final was something we benefitted
23 from in the 2021 CEIP while the timeline was short. And
24 we think -- we think that condition is reasonable.

25 Q. Okay. What about PSE's position on Staff

1 condition 10?

2 A. On Condition 10, we -- we agree, generally, with
3 this condition and certainly, as evidenced in my
4 testimony, believe that there could be some improvements
5 made to align planning and procurement processes. And
6 we agree with the recommendation made by Staff that we
7 would appreciate Commission guidance on the proper
8 timing of IRP, RFP, CEIP, and also let's add the
9 multi-year rate plan in a future rulemaking or policy
10 statement. I believe that was in Ms. Snyder's
11 testimony, and we agree that when time allows, that
12 would be a good conversation to have.

13 Q. Okay. Thank you.

14 What about PSE's position on Staff Condition 11?

15 A. So on Staff Condition 11, we're reluctant to
16 agree to this condition to not use the two percent as a
17 planning constraint or use it as a spending guideline in
18 developing our targets.

19 And the reason for that is we really are
20 reluctant to agree to that condition without receiving
21 some guidance or direction from the Commission on how we
22 should go about proposing targets under CETA that
23 demonstrate progress towards the 2030 and 2045 standards
24 that incorporate the equity and the CBIs and balance
25 costs.

1 So, in other words, we just -- we have
2 conditions with this -- we have concerns with this
3 condition if it's added without some other direction on
4 how we should go about this work differently in
5 determining a lowest reasonable cost portfolio that
6 demonstrates progress towards the targets. As we set
7 our own targets, we would be looking for some -- some
8 different direction on that.

9 Q. All right. And if the Commission were to
10 provide additional guidance on the incremental cost
11 calculation and how it should be used, would PSE be
12 supportive of Condition 11?

13 A. I think it would be hard to -- to state right
14 now, not knowing what that guidance looks like. So
15 appreciate the question, but I'm not sure I can answer
16 that in hypothetical.

17 Q. Okay. So what is PSE's position on Staff
18 Condition No. 12?

19 A. So, Condition 12 is really similar to Condition,
20 I believe, it's five. And we thought about --
21 Condition 5 just applying to the biennial here shortly
22 in 2023. We're certainly -- I guess this -- this
23 condition is written rather generally and it's a little
24 bit vague as to what refining methods is intended to
25 mean.

1 So I think PSE's position here is we think the
2 overall methodology that we've used to identify
3 vulnerable populations is -- is reasonable.

4 So if this is looking to have us change that
5 methodology, we might have concerns, but we're certainly
6 open to refining our data and how we sort of think about
7 that work as well as continue to have conversations with
8 our Equity Advisory Group and others on, you know,
9 other -- other ways that we might identify factors of
10 vulnerability that perhaps we didn't consider in this
11 first CEIP.

12 So I think, generally speaking, refining -- we
13 are refining and thinking about our method now, and we
14 will continue as part of this iterative process.

15 So generally supportive but also a little bit
16 not sure what -- what's intended by Condition 12.

17 Q. Okay. So if the Commission does agree with the
18 concerns that Staff has raised regarding the methods to
19 identify vulnerable populations that Staff has included
20 in its testimony, under that circumstance,
21 hypothetically, would PSE support Condition 12?

22 A. Yeah, if -- if the Commission agrees with --
23 agrees with Staff's position and recommendation that
24 there need to be changes to the methodology for
25 identifying vulnerable populations, if that's where the

1 Commission lands on that issue, then certainly we -- we
2 would want to continue to refine our methodology to a
3 more appropriate one. We would just be hoping to get a
4 little direction as to what that might look like.

5 Q. Okay. Thank you.

6 And what is PSE's position on Staff Condition
7 13?

8 A. So for Condition 13, we support this condition,
9 and that's evidenced in my testimony as well.

10 Q. Thank you.

11 All right. Could you review Conditions 6
12 through 8 on page 1 of Exhibit JES-3.

13 A. Yes.

14 Q. All right. For Condition No. 8, in rebuttal
15 testimony you state that PSE agrees with Staff's
16 Condition No. 8; correct?

17 A. Correct.

18 Q. And what is PSE's position on Staff Condition 6
19 and 7?

20 A. So on Staff Condition 6, we can certainly
21 provide a master file index for the 2021 CEIP. It would
22 be good to have some conversations to make sure we're
23 meeting what the expectation is. But we're happy to
24 provide that -- that index to make it more user friendly
25 if desired.

1 And then on Condition 7, we've already agreed to
2 do this and have been providing the license to Staff
3 throughout the CEIP process, which has been going on for
4 a while now, and we're happy to continue that practice
5 going forward. So no concerns with Condition 7.

6 Q. Okay. Thank you.

7 Now, could you review Staff Conditions 1, 2,
8 and 5 on page JES-3? I'm going to be asking other
9 witnesses about Conditions 3 and 4.

10 A. Yes. You said 1, 2, and 5?

11 Q. Yes.

12 A. Yes, I've reviewed them. Thank you.

13 Q. All right. So with respect to Condition 5, we
14 discussed this already.

15 Do you have the same position on Condition 5 as
16 you did with the previous condition?

17 A. I do. We would be willing to continue to refine
18 methods as I described for the biennial update and
19 provided some narrative on that work in the biennial,
20 but just note that that's just a few months away now.

21 Q. All right. And based on your rebuttal
22 testimony, does PSE anticipate fulfilling Staff
23 Condition No. 2?

24 A. I'm sorry. Could you repeat the opening of that
25 question about Condition 2?

1 Q. Yeah. Based on your rebuttal testimony, on
2 page 10, lines 17 and 18, does PSE anticipate fulfilling
3 Staff Condition No. 2?

4 A. Yes.

5 Q. Okay. Finally, does PSE oppose the Commission
6 adding Staff's Condition 1 as a condition of approval?

7 A. No, we do not oppose it.

8 Q. You don't propose -- you don't oppose Condition
9 No. 1?

10 A. No, we do not oppose Condition No. 1.

11 Q. All right.

12 So I just have a few more questions for you.

13 Could you turn to page 31 of your rebuttal
14 testimony? And let me know when you're there.

15 A. Thirty-one of KKD-60.

16 Is that my rebuttal?

17 Q. Yes.

18 A. Correct?

19 Q. That's right.

20 A. I'm there. Thank you.

21 Q. All right. Thank you.

22 On lines 17 and 18 you state, quote: Instead,
23 PSE views the incremental cost as an approximate
24 spending guide that the company used to inform the
25 development of its interim target, end quote.

1 Is PSE's view consistent with the guidance that
2 the Commission has provided on incremental costs in the
3 adoption order of the CEIP rules?

4 A. I -- I believe that it is. Although I will add
5 that the Commission certainly signaled that it's neither
6 a floor or a cap. And we did take that under advisement
7 as we were thinking about the two percent. And as I
8 stated in my rebuttal testimony, we -- we viewed it as a
9 spending guideline in forming how we might establish our
10 targets.

11 Q. Okay. Thank you.

12 Finally, could you turn to page 26 of your
13 rebuttal testimony?

14 A. I'm there.

15 Q. All right. So on line 16 through 18, you state
16 that PSE agrees with eliminating the climate change CBI
17 for the 2025 CEIP.

18 Does that mean that PSE opposes eliminating that
19 CBI now?

20 A. Oh. PSE would be open to removing it for the
21 biennial update, if that was the Commission's desire.

22 I -- I did write this specific to the 2025 CEIP,
23 but that -- but we should not infer that that means we
24 oppose it for the biennial.

25 Q. All right. Thank you, Ms. Durbin. I have no

1 further questions.

2 A. Thank you.

3 JUDGE HOWARD: Okay. Do we have any
4 redirect from the company, following Staff's cross?

5 MS. BARNETT: No, Your Honor.

6 JUDGE HOWARD: Okay. In that case, let's
7 take our brief mid-morning break at this point. Since
8 it's 10:43, let's -- let's just come back on the record
9 at 11, if that works for everyone.

10 Actually, I -- yeah. Let's just stick with
11 11. I'm not going to be more precise and, potentially,
12 annoying than that. So we will return at 11. We will
13 take a brief mid-morning break. Thank you, all. We are
14 off the record for a moment.

15 (A break was taken from
16 10:44 a.m. to 11:00 a.m.)

17 JUDGE HOWARD: All right.

18 We're returning after our midmorning break.
19 I see we have Witness Durbin and we have Public Counsel,
20 and I'm seeing -- if anyone believes someone is missing
21 from the call at this point, please feel free to note
22 that in the chat.

23 Our next -- our next cross-examination would
24 be from Public Counsel for Witness Durbin.

25 Ms. Suetake, you may proceed.

1 MS. SUETAKE: Thank you.

2 I seem to be having a little bit of Zoom
3 issues. So please let me know if I'm not coming in
4 clearly.

5 JUDGE HOWARD: I did hear you break up a
6 little bit in the audio there. Maybe let's -- let's see
7 how it goes for a minute and then, if necessary, you can
8 perhaps, call in on a cell phone.

9 MS. SUETAKE: Okay. Apologies. I'm not
10 sure what the problem is today.

11 CROSS-EXAMINATION

12 BY MS. SUETAKE:

13 Q. Good morning. My name is Nina Suetake and I'm
14 here on behalf of Public Counsel Unit.

15 Do you have a copy of your rebuttal testimony in
16 front of you?

17 A. Yes, I do.

18 Q. Could you please turn to page 14 of your
19 rebuttal testimony?

20 A. Yes, I'm there.

21 Q. And then, is it correct -- I'm looking at
22 line 9.

23 Is it correct that PSE generally supports Public
24 Counsel's condition regarding PSE to clarify that the
25 DER portfolio would be determined after finalizing its

1 assessment of the DER RFP proposals in the 2023 biennial
2 update?

3 A. Yes, we generally agree with that.

4 Q. And is it correct that PSE's DER portfolio
5 selection process included in the current CEIP is
6 illustrative and not definitive?

7 A. Yes, that's correct. And also stated in my
8 testimony.

9 Q. If you can turn to -- do you have a copy of the
10 corrected CEIP in front of you?

11 A. Yes. Let me just turn to it. Give me a moment.
12 I believe -- is there a particular section you would
13 like me to turn to?

14 Q. Yes. If you can go to Chapter 2, page 32.

15 A. And just to confirm, you're in the corrected
16 version that was published in -- say on February 2nd, on
17 the front.

18 Q. Okay.

19 A. Page 32. I'm there.

20 Q. Now, is it correct that PSE's DER portfolio
21 selection process is described, essentially, on pages 32
22 through about 42 and Appendix D of this document?

23 A. I'm just flipping through to confirm, but that
24 seems correct. The other -- the other appendices you
25 mentioned was Appendix --

1 Q. Appendix D --

2 A. -- D.

3 Q. -- as in "dog"?

4 A. Yes. That's correct.

5 Q. And then -- so, to be clear, PSE -- is it
6 correct that PSE considers these ten pages describing
7 its portfolio selection process as well as Appendix D,
8 subparts 1 through 5, to be merely illustrative?

9 A. Yes, we do. These pages really gave it an
10 indication of what we believed our DER portfolio could
11 look like and to give some context for that. And as
12 stated in the CEIP, we intended to update the DER
13 specific to the results of the targeted DER RFP.

14 Q. Thank you.

15 If you could turn to page 42 of the CEIP?

16 A. Yes.

17 Q. And if you can turn -- look at that first full
18 paragraph.

19 And is it -- where it says "PSE's proposed DER
20 preferred portfolio is our initial path to meet CEIP
21 targets."

22 Do you see that?

23 A. I do.

24 Q. So when it says the "preferred" -- "proposed
25 preferred portfolio," is it correct, then, that the

1 portfolio that is stated and included in this chapter
2 actually a proposal by PSE?

3 A. You really have to read both the first sentence
4 that you quoted and the next sentence that goes on to
5 note that the -- all-source and targeted DERs will
6 provide data on available resources in the program.

7 So this was our proposed DER preferred
8 portfolio. It was more meant to be illustrative than
9 definitive on the programs that we would pursue. And
10 those updates, as reflected in our commitment in
11 Chapter 8, will be done for the biennial.

12 Q. Okay. Is there -- can you point to anywhere in
13 this chapter in these ten pages where PSE actually
14 states that this selection process is merely
15 illustrative?

16 A. If you'll give me a moment. I don't know
17 specifically this moment whether the word
18 "illustrative," if I did a word search, comes up. But I
19 am looking.

20 I do think there's also some discussion in
21 Chapter 4 that makes this point more clear in the
22 specific actions.

23 The word "illustrative" may not be in Chapter 2.
24 I don't know if you want me to take the time to read
25 through it fully. But I do believe that is communicated

1 in Chapter 4 as we discussed the specific DER actions we
2 may take.

3 Q. Okay. Well, that's fine for now then. We don't
4 have to actually search exactly for the word, then.

5 I guess, then -- could you clarify -- you've
6 clarified that the process and the portfolio will be
7 informed by the all-source and targeted DER RFPs; is
8 that correct?

9 A. That's correct.

10 Q. Going forward, is PSE using the methodology of
11 resource selection that it outlines in this CEIP?

12 A. If PSE uses a similar selection process for the
13 2025 CEIP, we will certainly make adjustments and
14 improvements to the process.

15 But, right now, it is a little hard for me to
16 speculate exactly what the process will be for the 2025,
17 but would note that we would certainly want to make
18 improvements. We did receive a lot of comments and
19 critiques of the selection process that we used.

20 Q. So between now -- or between the time this was
21 filed and the 2025 CEIP, what process is PSE using to
22 craft its DER portfolio?

23 A. That -- if -- to speak more specifically to
24 those plans, you may want to ask that question of
25 Witness Will Einstein. I can speak generally, but we

1 have plans to do community engagement this year to
2 inform out the specific programs that we will be
3 pursuing through the remainder of the implementation
4 period, informed by the DER RFP results.

5 Q. So when PSE says that this portfolio is
6 illustrative, do you mean the results are illustrative
7 or the methodology used is illustrative?

8 A. The methodology that we used in -- that's
9 described in Chapter 2 and the -- and the programs we
10 provided as -- as illustrative examples of the types of
11 programs we would pursue to fill the 80 megawatt
12 subtarget, that's what I'm referring to.

13 Q. So both the methodology and the results are
14 illustrative and can change; is that correct?

15 A. I wouldn't really characterize what's in
16 Chapter 2 as results. I would think of the results,
17 when we use the word "results," as being the results
18 from the RFP. But the proposed types of programs is
19 certainly more illustrative. And the illustrative
20 work does, just to clarify, show up on page 115,
21 footnote 54 in talking about at least some of the time I
22 used pilot programs. But that's not in Chapter 2.

23 Q. So one more time, just to clarify.

24 In the 2023 and 2025 -- well, CEIP -- in the
25 update and in the 2025 plan, will PSE continue to update

1 its portfolio selection process as well as the actual
2 portfolio?

3 A. I'm hesitating on the term "selection process,"
4 but we will certainly update our -- our methods. We
5 will update our cost estimates that we use. We will be
6 talking to the community about the kinds of programs
7 they want to see and all of that will inform the
8 programs you ultimately see in the biennial and in the
9 next CEIP. Whether we call it selection process or not,
10 we are certainly going to make improvements in all of
11 those areas.

12 Q. And will PSE modify how it uses the CBIs to
13 select resources or is PSE planning on updates to how it
14 uses CBIs?

15 A. I think it is reasonable to assume that we will
16 also seek to make improvements in how we think about and
17 apply CBIs for the biennial and even more so for the
18 2025 CEIP.

19 Q. Is it correct that the updates that your -- to
20 the preferred portfolio will be -- the first updates
21 will be based on the 2022 DER, RFP DER and DR RFP?

22 A. It's true that the DER DR RFP will be very
23 informative to how we ultimately update the biennial.
24 It will also be informed by the electric progress report
25 results, which will be finalized in April. So that's

1 just another important input.

2 Q. Will the 2020 -- will that progress report be
3 incorporated into the biennial update or just the 2025
4 CEIP?

5 A. It will be incorporated in the biennial and
6 that's reflected in our commitments in Chapter 8.

7 Q. Okay. And do you anticipate a significant
8 change in the expected programs in the -- in the DER
9 portfolio based on the results of the RFP?

10 A. It is still a bit too early for me to opine on
11 that. With respect to demand response, which witness
12 Archuleta can look to. We're certainly looking at
13 demand response programs that are -- that touch on
14 additional customer classes beyond what we saw in the
15 proposed CEIP. So we're looking at various programs.
16 And on this distributed energy resource program, we're
17 also looking at -- we're looking at the concepts that
18 were proposed in the CEIP, but we're also really going
19 to be talking to the community and seeing what's
20 feasible and what's coming out of the DER RFP that we
21 can move forward with.

22 Q. So going forward from CEIP to CEIP, will the
23 process of resource selection be more driven by the RFPs
24 than -- a theoretical selection process?

25 A. That's our expectation; is that we certainly

1 will have the benefit of those plans being more directly
2 informed by the RFP process.

3 I think as indicated, briefly in my rebuttal
4 testimony, we have a timing issue with the rule-required
5 IRP RFP just because that is triggered by an IRP that
6 concludes in April and a CEIP that's due under the rules
7 in final form in October. So RFP results are going to
8 need to come in earlier in order to really be able to
9 inform some of our work and -- so that's what I would
10 offer.

11 Q. Would PSE object to a condition that would
12 require the company to explain in its 2023 biennial
13 update how it intends to use the RFP results to craft a
14 portfolio?

15 A. Can you elaborate on what that condition would
16 look like? Do you mean for how it would use the results
17 for the 2025 CEIP or --

18 Q. For -- so let me give a little background to my
19 question. You have -- it's correct that you've stated
20 that the DER RFPs will inform your process going
21 forward; is that correct?

22 A. Certainly, this DER RFP is going to inform our
23 biennial update. I'm just a little hesitant to project
24 out to the future exactly how all of that will work, but
25 yes.

1 Q. So right now in your current CEIP, you have a
2 portfolio selection process that's illustrative;
3 correct?

4 A. Yes.

5 Q. But that isn't necessarily the process that will
6 be used going forward; right?

7 A. Correct.

8 Q. So at what point -- will it be possible in the
9 2023 biennial update to provide the Commission and
10 parties an update to how PSE is selecting its resources?

11 A. I would expect in the biennial update we'll be
12 explaining the engagement activities we're doing this
13 year, the review we've done of costs and a justification
14 for why the programs we've included we're pursuing and
15 to have that -- that explanation in the biennial.

16 Q. Okay. Thank you.

17 I think that is all of my questions for now.
18 Thank you.

19 A. Thank you.

20 JUDGE HOWARD: Do we have any redirect
21 following Public Counsel's cross?

22 MS. MOSER: No, Your Honor.

23 JUDGE HOWARD: Okay.

24 NVEC and Front and Centered also indicated
25 cross for this witness.

1 You may proceed.

2 MS. GOODIN: Thank you, Your Honor.

3 CROSS-EXAMINATION

4 BY MS. GOODIN:

5 Q. Good morning, Ms. Durbin.

6 A. Good morning.

7 Q. I have heard you say that you have your rebuttal
8 testimony available. Could we go ahead and turn to
9 page 25 for me, please?

10 Let me know when you're there.

11 A. You said page 25?

12 Q. Page 25. Correct.

13 A. Yes, I'm there.

14 Q. Great. You've testified that PSE plans to
15 assess current disparities and burdens faced by named
16 communities during the implementation period for this
17 CEIP; is that correct?

18 I'm sorry. It's lines 13 through 19, if you're
19 having trouble finding it.

20 A. On lines 13 or 19, in a question that was
21 talking about the developing of goals for CBIs; yes, we
22 noted the importance of deeply understanding the
23 disparities and burdens faced by our customers to ensure
24 that we have a baseline to work from for our metrics.

25 Q. Could you go ahead and turn to Exhibit KKD-39X

1 and let me know when you're there?

2 A. Yes. Could I confirm that that is Front and
3 Centered's and Northwest Energy Coalition's Data Request
4 No. 213?

5 Am I on the right one?

6 Q. Yes.

7 A. Okay. I want to make sure my numbering was
8 right.

9 Q. There's a lot of numbers.

10 And you are listed as the person knowledgeable
11 about that response; correct?

12 A. Let me just take a look.

13 Yes. There's a lot of knowledge at PSE. I'm
14 not going to claim to be the expert, but I am familiar
15 with this data request and its contents.

16 Q. Great. And in this response, you agreed that
17 PSE needs to do more than just assess existing
18 disparities, PSE needs to make progress on reducing
19 existing disparities during this implementation
20 period; is that correct?

21 A. That's correct.

22 Q. You've identified the first two bullets on
23 page 64 of the CEIP as the place where PSE discusses its
24 commitment to making progress on reducing disparities;
25 is that right?

1 A. Yes. Sorry. I see that in the response to
2 subpart B, yes.

3 Q. Thanks.

4 And I heard you mention earlier that you do have
5 the CEIP available.

6 Could you go ahead and turn to page 64?

7 A. Yes, just a moment. Multiple binders.

8 All right. I'm there. Thank you.

9 Q. All right. Could you go ahead and read the
10 first bullet along with the sentence immediately before
11 it?

12 A. Yeah. So the sentence in the CEIP reads: This
13 CEIP will use the highly impacted community's
14 designation and vulnerable population factors to ensure
15 the equitable distribution of benefits by, bullet one,
16 identifying the existing disparities and benefits and
17 burdens between customers; and the second bullet,
18 tracking and measuring process and addressing these
19 disparities over time.

20 Q. Thanks.

21 So that first bullet, "identifying existing
22 disparities," you'd agree that that's the same as -- or
23 similar to assessing current disparities that you
24 mentioned in your testimony; is that right?

25 A. Yes.

1 Q. And you've agreed that you need to do more than
2 that?

3 A. Agree that we -- sorry.

4 Q. That you need to do more than just assess; that
5 you need to make progress?

6 A. Correct.

7 Q. And the second bullet is where you say you'll
8 track and measure progress, but PSE doesn't have any
9 quantitative goals in this CEIP for how much progress it
10 commits to make; correct?

11 A. Correct. We did not establish goals in this
12 first CEIP, although we will be tracking and measuring
13 progress.

14 Q. Thanks.

15 I'd like to turn to a few questions about one of
16 PSE's customer benefit indicators.

17 Would you go ahead and turn to Appendix H,
18 Table H1, and let me know when you're there.

19 A. It will take me a moment.

20 Q. Yeah. No worries.

21 A. Table --

22 Q. It should be on the first page there.

23 A. Yep. I'm there.

24 Q. Great. Is it correct that one of PSE's customer
25 benefit indicators in the CEIP is improved participation

1 in clean energy programs from highly impacted
2 communities and vulnerable populations?

3 A. Yes, that's correct.

4 Q. And one of the metrics for this CBI is increase
5 percentage of participation by named communities in some
6 of PSE's clean energy programs; is that right?

7 A. That's correct.

8 Q. An increase of just one customer would
9 technically constitute an increase; correct?

10 A. I recall that question from one of your data
11 requests and, hypothetically, sure, one customer would
12 be an increase. That's what the math would demonstrate.
13 But I don't -- I just would hesitate to opine that what
14 would be a notable level of increase. I believe it
15 would be more than just one, though.

16 Q. But there's nothing in the CEIP that commits to
17 the size of the increase and percentage of
18 participation; correct?

19 A. Correct.

20 Q. I have just a couple questions for you on a
21 myriad of the (audio disruption) exhibits.

22 PSE did not adopt CBIs or metrics in this CEIP
23 that directly track customer arrearages or
24 disconnections for nonpayment; is that correct?

25 A. That's correct.

1 Q. And to the best of your knowledge, there's no
2 order or rule or other prohibition that would prevent
3 PSE from including arrearages and disconnections in CBIs
4 and metrics in this CEIP; is that correct?

5 A. Correct. I'm not aware of anything that would
6 prohibit us from including that.

7 Q. I have a couple questions for you about PSE's
8 evaluation of the customer benefits of specific actions.

9 I believe you've already spoken with Ms. Suetake
10 about this. But you've testified that the DER portfolio
11 in the CEIP is illustrative and not definitive; is that
12 correct?

13 A. Correct.

14 Q. And PSE plans to clarify that portfolio based on
15 the results of several pending RFPs; correct?

16 A. We will be making updates to that portfolio in
17 the biennial, yes.

18 Q. Okay. Could you go ahead and turn to
19 Exhibit KKD-46X?

20 A. Yes, I'm there.

21 Q. You have said that PSE has asked bidders to
22 provide a customer benefit analysis of their
23 proposals; is that correct?

24 A. That's correct. That was part of the all-source
25 and the DER RFP process.

1 Q. That analysis specifically includes benefits to
2 named communities; is that correct?

3 A. Yes. It asks-- it asks the bidders to provide
4 information across a number of areas related to our
5 customer benefit indicators and impacts to named
6 communities.

7 Q. PSE hasn't made those analyses public; correct?

8 A. The -- the outline of what we're seeking from
9 the customer benefits plan is all public in the RFP
10 record. So certainly the parties can see the kinds of
11 questions we were asking and what we were looking for
12 from bidders.

13 But, no, their responses are -- from our
14 estimation, fall under the mutual confidentiality
15 agreements that we've executed with the parties
16 pertaining to the bid information, and that is a subset
17 of that bid.

18 Q. And it's those responses where this benefit
19 analysis will be applied to these specific projects;
20 that's correct?

21 A. Sorry. Could you -- could you restate that
22 question? I wasn't quite following where you were
23 going.

24 Q. Sorry about that. So you had mentioned that
25 some of the information that PSE provided that is public

1 is in the request. It includes the information that you
2 are asking for.

3 But the information that is project specific,
4 that would be in those bidder responses that are not
5 public; is that correct?

6 A. That is correct.

7 Q. And PSE is not planning to make those bidder
8 analyses public even after the conclusion of the RFP
9 process; is that correct?

10 A. I actually can't speak to what our plans will be
11 once the process is concluded. We're not at that stage
12 yet. I would just reiterate that while the process is
13 still underway, we would be held to that confidentiality
14 agreement. We would have to give more thought to what
15 steps we might take at the conclusion. That is not
16 customary for us to do, though. We usually put forward
17 a summary report at the conclusion and that's -- that is
18 the information we generally make public.

19 MS. GOODIN: Thank you.

20 Your Honor, I think the only issue we have
21 left is the contested exhibit, and I would like to turn
22 it over to my colleague, Ms. Tack-Hooper for that, if
23 that's all right?

24 JUDGE HOWARD: Is there any objection from
25 PSE to that?

1 MS. BARNETT: No, Your Honor.

2 JUDGE HOWARD: All right. Thank you.

3 Please proceed.

4 CROSS-EXAMINATION

5 BY MS. TACK-HOOPER:

6 Q. Okay. Hi, I'm Molly Tack-Hooper. I work at
7 Earthjustice. We represent Front and Centered and NWECC
8 in this proceeding.

9 I have just a few questions that are relevant to
10 that contested exhibit, KKD-44X. I would actually like
11 to start by asking you to look at KKD-25X is already in
12 the record.

13 This is -- should be PSE's response to our Data
14 Request 155.

15 A. Yes, I'm there. Thank you.

16 Q. Okay. It says at the bottom, "Witness
17 knowledgeable about the response, Kara Durbin"; is that
18 correct?

19 A. Yes, I do have some familiarity with this
20 response.

21 Q. Okay. So the second sentence of the request
22 says, "Please describe any additional analysis PSE has
23 done to evaluate its summer peak needs and the potential
24 for demand response programs to reduce summer peak; is
25 that correct?"

1 A. That's correct.

2 Q. And the first two sentences of PSE's response
3 say, "Puget Sound Energy recently engaged E3 as part of
4 its 2023 IRP electric progress report to develop updated
5 effective load carrying capacity values (ELCC),
6 including demand response, resource contribution to peak
7 capacity reduction; is that correct?

8 A. That's correct.

9 Q. Then it says, "This work was presented to
10 stakeholders as part of the August 24, 2022, IRP
11 resource adequacy information session. Materials may be
12 downloaded from PSE's IRP website"; correct?

13 A. Yes.

14 Q. Okay. I think we can now look at KKD-44X.
15 Let me know when you've got that one?

16 A. I'm there.

17 Q. Okay. So the first part of the exhibit is PSE's
18 response to our data request 218. And at the bottom it
19 says, "Person who prepared the response: Kara Durbin
20 and Phillip Popoff"; is that correct?

21 A. That's correct. I worked with Mr. Popoff on
22 this response. He is listed as the witness
23 knowledgeable, however.

24 Q. Right. And this is a true and correct copy of
25 PSE's response to the data request?

1 A. Yes, I believe so.

2 Q. Okay. And what it says is: "Please provide the
3 presentation from December 12th, 2022, Electric IRP
4 progress report meeting. Please identify the amount of
5 winter and summer peak need that PSE estimates will be
6 met with demand response in 2029 on pages 32 and 33 of
7 the presentation." And then there's a URL.

8 Did I read that correctly?

9 A. Yes, you did.

10 Q. And PSE's response is attached as Attachment A
11 to PSE Response, et cetera. Please find the
12 presentation from the December 12, 2022, electric
13 Integrated Resource Plan Progress Report Meeting. The
14 winter peak need that PSE estimates will be met with
15 demand response in 2029 is 185 megawatts. The summer
16 peak need that PSE estimates will be met with demand
17 response in 2029 is 249 megawatts; correct?

18 A. Correct. That is our response.

19 Q. Okay. And the attachment appears to be a
20 presentation titled Electric Draft Portfolio Results
21 2023, Electric Progress Report dated December 12th.

22 Is this a true and correct copy of the
23 presentation from the December 12th Electric Integrated
24 Resource Plan Progress Report Meeting?

25 A. Yes. These were the draft portfolio results

1 presented to stakeholders on December 12th.

2 Q. And are you familiar with this document?

3 A. I am generally familiar. Although, I did not
4 conduct the analysis provided.

5 Q. Fair enough.

6 Can you confirm that the slide deck shows the
7 results of analysis performed after updates made by PSE
8 and E3, including updated ELCC values for ER to reflect
9 DR contribution and peak capacity reduction?

10 A. That is probably as far as my expertise can go,
11 so I wouldn't encourage you to ask me questions about
12 the numbers in here because I didn't perform the
13 analysis.

14 But, yes, this looks like the presentation that
15 was provided then.

16 MS. TACK-HOOPER: Okay. Your Honor, may I
17 have just one moment to confer with a colleague?

18 JUDGE HOWARD: Please go ahead.

19 MS. TACK-HOOPER: Thank you.

20 Okay. We have no other questions for
21 Witness Durbin about this exhibit.

22 At this time we would like to move for its
23 admission. We think we've laid a sufficient foundation
24 and the parties can argue in post-hearing briefing about
25 what weight it should be afforded.

1 JUDGE HOWARD: Is there any objection from
2 PSE?

3 MS. BARNETT: Yes, Your Honor. I don't
4 believe the -- the foundation was laid that Ms. Durbin
5 has anything more than knowledge on this. That was,
6 that it was attached to a data request response and that
7 it was what it said on the cover of the page. And that
8 is much more tenuous than I think Ms. Tack-Hooper was --
9 we need for foundation.

10 As you know, the standard for responding to
11 a discovery request is different and much lower than the
12 standard for admissibility of an exhibit.

13 And I, again, renew my objection. I don't
14 believe that has been met here.

15 JUDGE HOWARD: I'm going to deem this
16 exhibit admitted into the record.

17 I, of course, would be mindful of any
18 further questioning that would -- that would appear to
19 go beyond the scope of this particular witness'
20 knowledge. But it -- that is not my primary concern at
21 this point. I'm deeming it admitted, and I believe a
22 sufficient foundation and relevance has been laid.

23 MS. TACK-HOOPER: Great. Thank you, Your
24 Honor. We don't have anything else for Ms. Durbin.

25 JUDGE HOWARD: All right. Thank you.

1 Is there any redirect following this cross?

2 MS. BARNETT: Yes, just one question.

3 REDIRECT EXAMINATION

4 BY MS. BARNETT:

5 Q. Ms. Durbin, Ms. Goodin asked you in regard to
6 page 64 of the corrected CEIP, when you were discussing
7 disparities related to vulnerable populations and highly
8 impacted communities.

9 You stated that PSE did not set specific goals
10 related to those named communities in the CEIP.

11 Could you explain why PSE did not set specific
12 goals related to highly impacted communities and
13 vulnerable populations?

14 A. Yes. We felt that -- that the assessment of the
15 existing disparities and really understanding the -- our
16 named communities better and the barriers they may face
17 to participating in programs was a really important and
18 meaningful first step to inform us in how we might move
19 forward in establishing any goals.

20 So I believe that demonstrating progress is
21 important, and we're committed to doing that. And we'd
22 really just like to have a better foundation for the
23 existing disparities our customers face and we have that
24 work ongoing now in looking at our existing programs and
25 challenging where looking at participation rates and

1 looking at how we've defined vulnerable populations and
2 highly impacted communities and really trying to better
3 understand that as a -- foundational steps. Then being
4 able to say, okay, this is where we're at, what would
5 be -- what should the goal look like for -- for moving
6 forward? And baseline -- capturing baseline data is
7 important part of that too.

8 MS. BARNETT: I have no further questions,
9 Your Honor.

10 JUDGE HOWARD: All right. Thank you.

11 The Energy Project indicated it may cross
12 this witness.

13 MR. FFITCH: Yes, Your Honor. Thank you.
14 Just a few -- just a few questions.

15 CROSS-EXAMINATION

16 BY MR. FFITCH:

17 Q. Good morning. Good morning, Ms. Durbin.

18 A. Good morning.

19 Q. I -- I expect you still have in front of you
20 your rebuttal testimony; correct?

21 A. Yes, I do. I'm just flipping to it now.

22 Q. Great. Could you turn to page 22 of your
23 testimony, please?

24 I'd like to come back to this question about
25 CBIs related to arrearages and disconnections and energy

1 matters.

2 Do we have that -- do you have that page?

3 COMMISSIONER RENDAHL: Mr. Ffitch, what page
4 and exhibit are we on?

5 MR. FFITCH: We are on Exhibit KKD-60,
6 Ms. Durbin's rebuttal testimony, on page 22 beginning at
7 line 8. I apologize for not setting that up better.

8 COMMISSIONER RENDAHL: Nope. Thank you.

9 BY MR. FFITCH:

10 Q. Are you there, Ms. Durbin?

11 A. I am.

12 Q. And here you are addressing the recommendations
13 in this case from several parties regarding
14 energy-assistance topics, including CBIs for arrearages
15 and disconnections; is that correct?

16 A. I don't see that discussion on page 23. I do
17 see some on page 22. Just making sure I'm in the right
18 place.

19 Q. Yes. Page 23 is what I'm intending to refer to.

20 A. Page 22?

21 Q. Page 22 with question at line 8.

22 A. Okay. Page 22, line 8. I'm there. Okay.
23 Sorry, I was on page 23.

24 Q. Okay. So, again, this is where you're
25 addressing the recommendations by multiple parties, in

1 this case, Staff --

2 A. Yes.

3 Q. -- Energy Project, Public Counsel, Northwest
4 Energy Coalition, and Front and Centered for CBIs
5 related to arrearages, disconnections, and other energy
6 assistance topics; correct?

7 A. Yes. That's -- we addressed some of those
8 issues in this question.

9 Q. Okay. And it's -- it's Puget Sound Energy's
10 position, as you state here, that CBIs in this area
11 don't really belong in a CEIP because they're not
12 resource related and the CEIP is a resource planning
13 document.

14 That's your position; correct?

15 A. That is certainly our position with respect to
16 metrics around disconnections and arrearages, that those
17 are better handled in a different proceeding and many of
18 those are tracked, for example, in our general rate
19 case.

20 Q. Okay. But you've already testified earlier this
21 morning that there's no prohibition in rule or order or
22 otherwise for the Commission to adopt those metrics for
23 arrearages and disconnections in a CBI in a CEIP;
24 correct?

25 A. That's correct.

1 Q. I want to explore this just a little bit more.

2 In that same answer you acknowledge in your
3 testimony that Puget has proposed a CBI regarding
4 improved affordability; is that -- is that a correct
5 statement?

6 A. Yes, that's one of -- that's one of the
7 categories for CBIs and we do have a CBI metric in our
8 CEIP.

9 Q. Okay. And the metric that you've proposed for
10 that is improved -- excuse me, a median electric -- a
11 median -- reduction in median electric bill as a
12 percentage of household income?

13 A. Correct. That's the customer benefit indicator
14 we proposed. And I believe we have ten metrics
15 associated with that CBI that we'll be tracking.

16 Q. Okay. That -- you say that that relates to the
17 CETA statutory elements, the cost reduction, and burden
18 reduction; correct?

19 A. Correct.

20 Q. But you would agree, would you not, that a
21 customer's unpaid balance or her arrearage is also a
22 reflection of the affordability of energy, would you
23 not?

24 A. It's -- it's -- it's an input for consideration,
25 yes.

1 Q. Okay. And wouldn't you also agree that the
2 level of disconnection or the fact of disconnection for
3 a customer household is a reflection of the
4 affordability of that energy that it's purchasing?

5 A. That may be one element that -- of influence,
6 yes.

7 Q. Okay. Thank you.

8 Could you please turn to page 20 of your
9 rebuttal testimony? And that's lines 1 and 2.

10 A. Yes.

11 Q. In there you state that in proposing CBIs and
12 establishing metrics, Puget sought metrics it could
13 reasonably track given the data available; correct?

14 A. Yes, that's a general premise that -- that still
15 remains true.

16 Q. And wouldn't you agree that Puget is currently
17 tracking data with regard to arrearages and
18 disconnections and reporting that to the Commission at
19 the present time?

20 A. Yes. It has not been part of a Clean Energy
21 Implementation Plan, but we are tracking that
22 information in other proceedings, appropriately so, and
23 having conversations with our low income advisory group
24 about -- about those metrics.

25 Q. Okay. So this criterion is met for arrearages

1 and disconnection data, is it not? That data is clearly
2 available to the company right now?

3 A. Yes. That's correct.

4 Q. Is -- is it Puget's position that if data is
5 available and reported already to the Commission,
6 perhaps in another docket or another -- another type of
7 context or proceeding, that it's -- cannot be included
8 in the CEIP or should not be included in the CEIP
9 metrics?

10 A. No, that -- that's not our position. Our
11 position is that the CEIP should have a manageable
12 number of customer benefit indicators that it tracks
13 over time and ones that are meaningful that we can --
14 that we can influence. That's our goal. We understand
15 that these metrics certainly are informative to our work
16 as a company.

17 Q. Okay. Thank you, Ms. Durbin.

18 MR. FFITCH: Your Honor, that's all the
19 questioning I have for this witness.

20 JUDGE HOWARD: All right. Thank you.
21 Do we have any redirect.

22 MS. BARNETT: No, Your Honor.

23 JUDGE HOWARD: Are there any questions from
24 the bench for Witness Durbin?

25 COMMISSIONER DOUMIT: I have a few questions

1 if I might, please.

2 JUDGE HOWARD: Please proceed.

3 EXAMINATION

4 BY COMMISSIONER DOUMIT:

5 Q. Ms. Durbin, good morning.

6 A. Good morning.

7 Q. So first I want to talk about demand response
8 targets. I'm looking at your rebuttal testimony at
9 page 10 and -- page 11. Specifically, page -- page 11,
10 line 7.

11 And -- are you there?

12 A. Yes, I am.

13 Q. Okay. You state in response to public counsels
14 recommendation that PSE should update the demand
15 response targets in the 2023 biennial CEIP update.

16 And then in response to NWEA in Front and
17 Centered's recommendation you could update the targets
18 for both summer and winter peaking also in the biennial
19 CEIP update; is that correct?

20 A. That's correct.

21 Q. Okay. Please explain whether the company could
22 update this information in a compliance filing following
23 a Commission order in this proceeding, and if not, why
24 not?

25 A. Great question.

1 So, you know, at this time we are still -- we're
2 still evaluating the proposals and the targeted DER and
3 DER RFP, so we could certainly, in a compliance filing,
4 make an update to, at least, the 60 megawatts that I
5 signaled in my rebuttal testimony and we'd be happy to
6 do that if that's necessary. So that is something that
7 we -- we could do. But I would also note that we are
8 still working on our evaluation of the demand response
9 proposals, and so I'm a little concerned about the
10 timing of what information we could share in that
11 compliance filing, because we haven't secured those
12 contracts so we wouldn't really have -- I'm a little
13 concerned we might not have the kind of meaningful
14 information you'd want to see in that compliance filing.

15 I'm really hopeful that by the fall and
16 certainly by November 1st when we file our biennial
17 update that we will have all that information.

18 So that's the only hesitancy I have is I'm
19 thinking on my feet on what you would want to see in
20 that compliance filing, and we may not be able to
21 have -- we may not have all the data available to make
22 that a meaningful one.

23 Q. But it's something you are now keeping in mind;
24 correct?

25 A. Sorry?

1 Q. It's something you'll now keep in mind; correct?

2 A. Yes. Absolutely.

3 Q. Let's go to DER targets now, please.

4 COMMISSIONER RENDAHL: Mr. Doumit?

5 COMMISSIONER DOUMIT: Yes.

6 COMMISSIONER RENDAHL: I have a follow-up,
7 and that is also based on some of the questioning from
8 some of the other parties.

9 EXAMINATION

10 BY COMMISSIONER RENDAHL:

11 Q. So once you have reviewed the RFP, at what point
12 in that process are the proposals made public or do they
13 continue to be confidential even after contracts have
14 been awarded?

15 A. That's -- that's a great question.

16 I really might need to direct that to one of my
17 fellow witnesses that's managing that RFP process and
18 how they plan to handle that, either Witness Archuleta
19 or Witness Einstein.

20 Typically, that information has been kept
21 confidential until the process is included and we're not
22 there yet. But --

23 Q. No, I understand that. I'm just trying to
24 determine if the information is ever made public. And
25 it sounds like I can confirm this with the other

1 witnesses about at what point it is made publicly
2 available?

3 A. Yes, I believe so.

4 COMMISSIONER RENDAHL: Okay. Go ahead,
5 Doumit.

6 COMMISSIONER DOUMIT: Thanks. Thank you,
7 Commissioner.

8 EXAMINATION

9 BY COMMISSIONER DOUMIT:

10 Q. So DER targets -- so I'm looking at page 17 of
11 your direct testimony, KKD-1T at lines 10 to 12.

12 A. Sorry. That's going to take me a moment.

13 Q. No worries. No worries.

14 A. I'll need to pull that. Just one moment.

15 I think my paralegal may be saving me. I do
16 have it, but --

17 Q. Take your time. That's okay.

18 A. Thank you.

19 All right. Could you please repeat the page
20 numbers for me?

21 Q. Yeah. And by the way, this is ground you've
22 covered with Public Counsel, but I'm just going in,
23 maybe a slightly different question.

24 Yes, at page 17 of your direct testimony, at
25 lines 10 to 12.

1 A. Okay.

2 Q. You state that the specific details of the DER
3 subtarget will be provided in the 2023 CEIP update
4 because these details depend on the outcome of the
5 DER -- DER FP.

6 And then going to page 20, starting at line 5,
7 you state that PSE will engage with advisory groups and
8 interested persons about specific product development
9 and tariff design for DER products as well as
10 refinements to CBIs in this process?

11 A. Yes.

12 Q. As we're already in 2023, what has PSE done so
13 far on engagement and discussion with the advisory
14 groups and interested persons on these topics? And if
15 the company hasn't engaged, why not?

16 A. We have been in the engagement process. I can
17 speak to it a little bit, and then I might encourage you
18 to ask Witness Will Einstein because he's overseeing
19 that work and will be able to give you more details.

20 But we began that engagement process in
21 communities and following the model that PSE has
22 followed for our transportation electrification plan and
23 in terms of engagement with our equity advisory group as
24 an example, the DER team came -- okay. We are in
25 January -- last fall in the Equity Advisory Group to --

1 to talk to them -- both raised their awareness of their
2 familiarity with our existing programs, like community
3 solar. And sort of laid some foundation for them to
4 understand the kinds of programs we were considering
5 pursuing and really team them up to the next more --
6 even more in-depth conversation and bringing them
7 proposals and being able to discuss trade-offs and what
8 customer benefits we thought we might see and what we
9 heard from the community around barriers and the kinds
10 of benefits that they'd like to see from these programs.

11 So that's some of the work that we began with
12 our Equity Advisory Group and we will continue this
13 spring in addition to that direct community engagement
14 to hear, really, what benefits those customers and named
15 communities and elsewhere want to see from the
16 transition. And what barriers do they see today from
17 them participating? We think that's an important part.

18 Q. Okay. I'm going to paraphrase some of the
19 testimony in the docket here from others. And because
20 we read over and over again that the way the company
21 engages the advisory groups -- and I'm paraphrasing
22 here -- is "to be selective with information, strategic
23 with the timing of information, and gives very little
24 time for responsive feedback or even conversation."

25 What's your perspective on how this is working

1 and how are you planning to change this?

2 A. I -- I wouldn't -- particularly, when it comes
3 to our Equity Advisory Group, I really wouldn't agree
4 with that characterization.

5 We've been very thoughtful and deliberate in
6 setting up our Equity Advisory Group and in how we share
7 information with them in advance for meetings, how we
8 bring them a topic and then come back later and bring it
9 back to them again for input.

10 I really think it's been a thoughtful process
11 and a rich process for us in learning from them and them
12 challenging us honestly on some of the -- some of the
13 hard questions that we need to think about and the ways
14 that we need to approach our work from an equity lens
15 that we may not have previously been thinking from that
16 perspective. We've really benefitted from that.

17 We're also -- we've made improvements with our
18 stakeholder process for the Integrated Resource Plan
19 this cycle. I'm not going to characterize it as a
20 perfect process, but we've made strides to really not
21 just share information in advance but spend time in
22 meetings and after meetings in really sharing with that
23 group. Here's what we heard from you. Here are the
24 changes we're making in our process based on your
25 feedback. And keeping that feedback loop going.

1 And we've also benefitted from strong
2 facilitation support in those meetings and really trying
3 to promote dialogue between questions that, you know,
4 interested parties have about -- about our work and us
5 being able to respond.

6 So I think we are really -- we've made a lot of
7 improvements in this space. And I think we have more
8 improvements that we can make to make our processees
9 more inclusive and transparent. But I think we've made
10 some good strides over the last couple of years.

11 Q. Okay. Thank you. Just one more question.

12 CHAIR DANNER: Commissioner, can I break in
13 and ask a follow-up to that?

14 EXAMINATION

15 BY CHAIR DANNER:

16 Q. First of all, did I hear you say that you are
17 not providing information in advance or that you are
18 providing information in advance?

19 A. Oh, no. I'm sorry. Absolutely. We are
20 providing information in advance. That's very
21 important.

22 Q. Okay. All right. I mean -- I refer you -- for
23 example, Mariel Thuraisingham's testimony, MFT-1 at
24 page 14, and she says that there's a selected and
25 curated nature of how information is shared. It's

1 frustrating for well-informed dialogue.

2 I mean, are you -- it seems -- again, this is --
3 this is a theme that we hear over and over again. We
4 hear about it in IRPs. We are hearing about it in the
5 CEIPs. We -- it appears to me that something is not
6 working. You're saying you're doing back and forth with
7 them, but are -- are they expressing to you satisfaction
8 in the way this is working or are you still hearing a
9 lack -- or are you hearing that there is a lack of
10 satisfaction in how this is working?

11 A. We have heard -- we have heard comments from
12 some of the interested parties that have been along on
13 the IRP stakeholder process journey for quite some time;
14 that they have seen improvements in how our meetings
15 have been run and are willing -- and how Puget has been
16 engaging with -- with stakeholders or interested parties
17 that is during those meetings.

18 We've also heard critiques on how that process
19 has worked. And so we really are considering strongly
20 for the next IRP process some changes to how we
21 structure our advisory group process and -- in the hopes
22 that we can make further improvements.

23 Q. Well, the testimony I referred to in -- from
24 Mariel Thuraisingham and at page 14 had to do with the
25 CEIP. And -- and you've expressed that there have been

1 improvements.

2 Are you -- are you asking people how it is
3 working -- I mean, is this -- is this a continual back
4 and forth because we're not getting the sense in
5 communications with us that things are improving?

6 So I'm trying to figure out what is wrong and
7 what can work better because it -- I mean, as she says,
8 there's a selected and curated nature of how information
9 is shared and that's frustrating to a well-informed
10 dialogue. And what we're trying to achieve here is a
11 well-informed dialogue.

12 A. And I would offer, Chair Danner, so are we. We
13 want that dialogue. We just recently engaged in
14 one-on-one conversations with all of our Equity Advisory
15 Group members. We do it at the end of each year, or we
16 have. We've only had a couple of years now. But we --
17 we did at the end of 2021, at the end of 2022, to really
18 ask the question of how's it going? Is this the right
19 level of information that we're giving you? Are there
20 ways we can do -- we can support you better? Are
21 there -- and we really haven't been receiving the kind
22 of critique that Ms. -- that Mariel suggested in her
23 pre-filed testimony.

24 So I -- we definitely have our ears open to
25 concerns that are -- that are raised and are always

1 thinking about how can we make this a better process.
2 Public engagement -- meaningful public engagement is
3 important to us and it informs our work.

4 So I just -- I don't -- I have not experienced,
5 personally, the same critiques that you saw in that
6 testimony expressed by the equity advisor groups when we
7 have asked them directly ourselves over the last couple
8 of months. So I am hopeful that they are having a more
9 positive experience than what was suggested there.

10 Q. Well, I am too. I mean, I can't think of
11 anything more important than when you are reaching out
12 to advocates for vulnerable populations that, you
13 know -- or historically under-represented communities
14 that we're actually hearing their voices, because
15 otherwise we go forward in an uninformed way.

16 So I ask you to continue that, but we are also
17 going to continue to monitor the information that comes
18 to us and we want to make sure that that is an inclusive
19 conversation, so thank you.

20 THE WITNESS: Absolutely.

21 CHAIR DANNER: Commissioner Doumit, back to
22 you.

23 COMMISSIONER DOUMIT: Thank you for that
24 follow-up, Chair Danner.

25 And, you know, I have one more question for

1 Ms. Durbin, but the other Commissioners may have
2 questions as well.

3 EXAMINATION

4 BY COMMISSIONER DOUMIT:

5 Q. This refers to specific actions, and I'm
6 referring to your rebuttal testimony at page 36, please.
7 And I'm looking at lines 5 through 11, essentially. And
8 this talks about expectation for future CEIPs, not for
9 this CEIP. I think elsewhere in your testimony you may
10 have said that you -- you will provide more detailed
11 specific actions in the update, 2023 biennial update in
12 the IRP process.

13 But what really concerns me about this statement
14 is that you said even future CEIPs may fall short, given
15 the timing of procurement processes in conjunction with
16 CEIP timelines.

17 And those are PSE procurement processes you are
18 talking about; right?

19 A. Correct.

20 Q. So what -- let me ask, generally.

21 Why is it that PSE feels it's unable to meet the
22 regulatory requirements of CETA in this regard?

23 A. I wouldn't -- I wouldn't characterize it that
24 way. But I -- what I was trying to express in my
25 rebuttal testimony is that -- a concern that the

1 processees and timelines that we have in place now, if
2 the expectation is that an RFP that is triggered by an
3 IRP that's filed in April is going to inform the
4 actions, the costs, the development of what we proposed
5 in our plan that's filed in October, that just simply
6 doesn't work. We can certainly rely on voluntary IRP.
7 That's another avenue in the Commission's rules, so we
8 can start earlier with the IRP process to inform the
9 CEIP. And that's certainly a tool we think we are going
10 to need to pursue, because we have a lot of renewable
11 resources to apply over the next several years. And so
12 we anticipate that we will be doing that for some time.

13 I don't know if I fully addressed your
14 question --

15 Q. Yeah. The concern is -- the concern is -- the
16 question is, in the testimony it seems like -- it
17 appears like the law, CETA, should follow PSE's
18 processes rather than the other way.

19 How do you respond to that?

20 A. Well, I -- we certainly need to follow the law
21 and we're committed to doing so, so I just feel the need
22 to start there.

23 But the -- the question that I am more concerned
24 that I am raising in my rebuttal testimony is that the
25 timelines that we developed -- that were developed by --

1 by the Commission, informed by all the parties during
2 the -- the lightning-fast rulemaking that we were a part
3 of in 2020. I felt at the time the thought was that
4 that IRP-triggered RFP was going to inform the CEIP
5 development. And we expressed concerns in the
6 rulemaking at the time that we don't see that working.
7 That doesn't seem like enough time and also concerns
8 about how an RFP process that takes several months and
9 involves confidential information, how can that
10 information really be used transparently in the CEIP
11 that's filed.

12 So it's one -- one of the areas that we just
13 have questions about is it seems like the parties have
14 differing expectations on how specific a CEIP should be,
15 particularly with respect to the large scale resources.

16 And we're not opposed to providing more
17 information when we have it and we can share it. It's
18 more about what's a practical way for us to navigate
19 some of these RFP processees and how detailed is the
20 CEIP filed with the Commission intended to be? And --
21 what does approval mean for that process?

22 And those are just policy questions that we're
23 encountering with this first plan that -- that come to
24 mind for us.

25 COMMISSIONER DOUMIT: All right. Nothing

1 further from me, Your Honor.

2 Thank you, Ms. Durbin.

3 THE WITNESS: Thank you.

4 COMMISSIONER RENDAHL: So I guess it's now
5 almost afternoon, so I guess I'll check with Judge
6 Howard if we -- if you want to keep moving and go
7 through Witness Durbin's testimony, take a break. But I
8 have a few questions.

9 JUDGE HOWARD: Commissioner Rendahl, I
10 believe if -- if the Commissioners are amenable, perhaps
11 we would finish the bench questions for this witness and
12 then break for lunch.

13 COMMISSIONER RENDAHL: That sounds good to
14 me.

15 JUDGE HOWARD: All right.

16 EXAMINATION

17 BY COMMISSIONER RENDAHL:

18 Q. Ms. Durbin, I'm going to focus on the CBI
19 development. And so if you look at your rebuttal
20 testimony, I'm going to be focusing on page 24 of 40.

21 And so let me know when you're there.

22 A. I'm there. Thanks.

23 Q. Okay. So in responding to the other parties'
24 request for conditions on the CBIs, you're basically
25 stating that changes shouldn't be made in the 2020 --

1 certain changes shouldn't be made in the 2023 biennial
2 update, but in the 2025 CEIP, identifying the potential
3 for inconsistencies with the IRP electric progress
4 report and the need for meaningful dialogue and to be
5 truly inclusive of new voices.

6 And we've just been talking about that a bit in
7 response to Commissioner Doumit's questions, but is it
8 PSE's position that CBIs and other elements in the IRP
9 and the CEIP need to be identical with no changes, even
10 though the company has said in the opening that this
11 process is iterative and builds from one to the next?

12 Do you understand what I'm getting at here?

13 A. I -- I'm not quite sure that I am.

14 Were you asking if they need to be identical
15 between an IRP and a CEIP?

16 Q. Yes.

17 A. Or the customer benefit indicators in
18 particular?

19 Q. Yes.

20 A. It's PSE's position that we think that
21 consistency is -- is important. I don't know that
22 the -- the law and the rules requires that it be. But
23 since the IRP is the foundation -- foundational analysis
24 and that Clean Energy Action Plan then flows to the CEIP
25 that we see a lot of benefit from them being consistent.

1 Q. Okay. But as you said, it's an iterative
2 process --

3 A. Mm-hmm.

4 Q. -- and given the short time frames that we have,
5 how do you move from one process to the next if you're
6 not being iterative even in the CBI process?

7 A. Well, I think we are being iterative in the CBI
8 process. So when I suggest that -- that changes for
9 CBIs shouldn't be made until the 2025 CEIP, I'm not
10 suggesting that PSE sit back and wait until 2024 to pick
11 up the baton with CBIs. We've already made improvements
12 in the electric progress report, which is still in draft
13 form and still underway.

14 But we made some improvements over the past year
15 in how we consider customer benefits in our portfolio
16 analysis, an improvement from the 2021 IRP, so we are
17 being iterative.

18 And, likewise, we're open to having
19 conversations with the parties around ways we can
20 improve upon the CBIs that we filed. I think my primary
21 concern is that by the time we likely have a decision in
22 this proceeding, it's the spring. We would really like
23 to put out a draft biennial update, whether the
24 Commission requires us to or not, in August.

25 So I'm just keenly aware of the calendar and

1 thinking, okay, if we're going to make changes to CBIs
2 and we want to be inclusive and bring those voices
3 together, that's at least two meetings with our Equity
4 Advisory Group, maybe three.

5 And how do we then have the time to refine to
6 make sure we have the data to support a new CBI. So I
7 think we're willing to begin those conversations around
8 improvements to CBIs during this year. I'm just
9 reluctant to commit to having substantive changes or new
10 CBIs for the biennial, just knowing that's a very
11 aggressive timeline.

12 Q. Okay. Well, the company has received comments
13 and suggestions on the CBI's during development of the
14 Draft CEIP and afterwards. And then again after the
15 Final CEIP was filed but has not made many of those
16 suggested changes to the CBIs.

17 So I guess this is the frustration, is -- is how
18 will the process differ going forward or work
19 differently from the process of developing the current
20 CEIP if you -- you say you're open, but I'm not seeing
21 any change -- you know, many changes.

22 And so -- given the short time frames, how --
23 how can we be sure that there's going to be a different
24 outcome going forward than this one?

25 A. I hear you, Commissioner Rendahl. And at the

1 same time, I would offer that, you know, the
2 reasonableness of the CBIs we proposed have been in an
3 adjudicative state for the past year.

4 So we've been in an awkward position, at best,
5 of we've got a plan; we've proposed CBIs that we believe
6 are reasonable; we've continued to have conversations
7 with the parties to understand their ideas and
8 suggestions for CBI work in the future. We -- we're --
9 but at the same time, this year hasn't felt -- sorry,
10 2022 didn't feel like the time to continue to try to
11 change the CBIs that we had proposed in our plan that
12 hadn't -- that we hadn't gotten any signal or direction
13 from the Commission on. It's an awkward place to be.
14 We want to improve. But we also think the CBIs we
15 proposed are good ones, and we think a reasonable number
16 of them in a plan is appropriate.

17 We have 11, and there are -- and we're open to
18 changing them. We're open to potentially adding some,
19 but we want to do that work thoughtfully.

20 And I just think that last year we -- we tried
21 to focus in on a number of -- number of other areas for
22 our work, including how we better use customer benefit
23 indicators in our IRP process. And that's -- so that's
24 been a focus area for us to make -- to be on a path to
25 improving our use of CBIs.

1 COMMISSIONER RENDAHL: Okay. Thank you.

2 Your Honor, I think at this point, I'm going
3 to look and see -- I don't think I have any other
4 questions for -- for Kara Durbin.

5 JUDGE HOWARD: All right. Thank you.

6 Were there any further questions from the
7 bench for Witness Durbin?

8 CHAIR DANNER: Yeah, I have just a few.

9 EXAMINATION

10 BY CHAIR DANNER:

11 Q. So in -- Ms. Durbin, in Corey Dahl's testimony
12 in CDAT-1T on page 21, his testimony says that he -- he
13 quotes you as saying that you're not looking at
14 non-wires alternatives because of CETA.

15 And I wanted to ask what is it in CETA that is
16 precluding you from looking at non-wires alternatives,
17 or do you disagree with this statement?

18 A. Sorry. It was -- it was Corey Dahl's Exhibit --

19 Q. It's CDAT --

20 A. Five?

21 Q. -- CDAT-1T, page 21.

22 A. Sorry. His testimony, page 21. Sorry.

23 Q. Yeah.

24 A. I will be get it by the time this is over.

25 Page 21. Okay.

1 Q. No problem. I understand.

2 A. I'm sorry. Could you please repeat the
3 question? I want to make sure I answer it correctly.

4 Q. So he's -- he says there that you're not looking
5 at non-wires alternatives because of CETA, and he quotes
6 you there. And I just want to ask if that is accurate,
7 and if it is, why does -- what is it in CETA that is
8 precluding you from looking at non-wires alternatives?

9 A. Yeah. I'd like to just clarify that -- what
10 that statement was suggesting, I believe -- I'd have to
11 go pull it directly, but -- but that was more in
12 reference to discussions around incremental cost and
13 thinking about, sort of, what actions are directly
14 related to CETA and ones may not.

15 We did include some discussion of non-wires
16 alternatives in our Clean Energy Implementation Plan.
17 We do believe that it's -- it's relevant. And so we
18 were just -- we're just suggesting that, you know,
19 non-wires alternatives is not a new thing because of
20 CETA that we're implementing directly because CETA
21 requires us to, but it's certainly an important part of
22 our clean energy plan.

23 Q. Okay. Then a larger question, when you mention
24 about incremental costs, in your own testimony, in 60 --
25 at page 31.

1 Why do you not view incremental cost as a viable
2 alternative compliance pathway?

3 A. You know, our concerns with that, which we -- we
4 raised during the rulemaking is just that we -- we felt
5 that the -- the way that the incremental costs
6 calculation and the reporting of -- of -- of incremental
7 costs was cumbersome and we just didn't quite see it as
8 being something that we could rely upon and use as an
9 alternative compliance pathway in a predictable way.

10 And we have every intention of meeting the
11 80 percent target by 2030 without relying on the
12 alternative compliance pathways.

13 So the purpose of my statement was just to
14 distinguish that we don't -- we don't review it as an
15 alternative compliance pathway that we would rely upon
16 using.

17 Q. And one of the reasons that you've mentioned
18 that it wasn't, I think, had to do with the fact that
19 inflation was up. You had two percent inflation as your
20 calculation and you questioned, given recent events,
21 whether that was still accurate.

22 Given that inflation is down and that we've
23 passed the Inflation Reduction Act, does this -- does
24 this change your views on that at all?

25 A. Well, hopefully the inflation reduction act will

1 be an important tool for us. We'll have to see how
2 things go.

3 But the fact remains that we assumed a two
4 percent level of inflation and that is definitely not
5 what we experienced in 2022. When we rolled the plan in
6 2021, we used a two percent rate of inflation, and that
7 was typical and traditional. And just in light of where
8 we've seen inflation rates go, wanted to make a
9 cautionary note in my testimony mainly to make the point
10 that we built all these estimates with that level of
11 inflation assumed and, you know, we will need to make
12 updates to our cost estimates in the future with better
13 information. But the world has changed a bit even since
14 we filed our plan in December of 2021.

15 Q. And so would we be starting to see that
16 reassessment in the biennial update?

17 A. Yes, I would expect so. Or certainly -- we'll
18 certainly be working on that.

19 Q. Okay. My -- my last question has to do with
20 your testimony at page 13.

21 I think it's your response testimony.

22 When -- let me see if I can find it, just a
23 moment.

24 I'm sorry. It's page 9 of your rebuttal
25 testimony.

1 Basically, when you're talking about the demand
2 responses part of it, you say that you're going to use a
3 winter planning reserve margin to meet annual peak
4 capacity needs and you say this is because PSE is a
5 winter peaking utility.

6 And so that's what you're going to use when
7 you're studying to meet annual reliability standards.

8 Have you -- is -- is it your position that Puget
9 will always be a winter peaking utility as we're seeing
10 more extreme heat in the summertime, more AC use,
11 air-conditioning use, can you assume that you are going
12 to be a winter peaking facility for the foreseeable
13 future or is that -- is that a question?

14 A. I -- I'm not the right person to make
15 assumptions around what -- what sort of peaking utility
16 will be in the future.

17 I certainly can -- just with respect to that
18 portion of my testimony, you know, I was explaining the
19 standard that we used in the 2021 IRP and the 2023
20 electronic progress report, which is still, again, in
21 draft form and won't be complete until April.

22 But it does reflect the impacts of climate
23 change. It does look at a summer and winter peak and
24 all that information analysis, including how demand
25 responds contributes will be incorporated in our

1 biennial update.

2 Q. Okay. So this is not just, sort of, a steadfast
3 position that -- that Puget is taking, but you are
4 re-assessing this and you are re-assessing it currently?

5 A. Yes; that's correct.

6 Q. All right.

7 A. And, no, it's not, to your question before that.

8 Q. I'm sorry. I already forgot the question before
9 that.

10 A. I think you said -- I'm sorry. I thought there
11 were two questions. And I just wanted to be clear that
12 it's -- I think that it's not our position that it will
13 always be a winter --

14 Q. Okay.

15 A. I think that was your question. So just to
16 clarify.

17 Q. No. Thank you for reminding me. All right.

18 A. Maybe more for the record.

19 Q. Very good.

20 CHAIR DANNER: Thank you. That is -- that
21 is all I have, Your Honor.

22 JUDGE HOWARD: All right. Any further
23 questions from the bench for Kara Durbin?

24 COMMISSIONER RENDAHL: No, Your Honor.

25 COMMISSIONER DOUMIT: No, Your Honor.

1 JUDGE HOWARD: All right. In that case, I
2 would like to thank Kara Durbin for her testimony today.
3 And we will break for lunch. And Witness Durbin is
4 excused from the proceeding.

5 So we are going to take a 45-minute lunch
6 break. We'll return at one o'clock. And we are off the
7 record. Thank you, all.

8 (A luncheon recess was taken
9 from 12:16 p.m. to 12:59 p.m.)

10 JUDGE HOWARD: Let's be back on the record.
11 It is 1:01 p.m.; Returning from lunch.

12 Our next witness in the order of
13 presentation would be PSE witness Gilbert Archuleta.

14 Mr. Archuleta, could you turn on your video
15 feed and I'll swear you in.

16 THE WITNESS: Yep. I'm here.

17 JUDGE HOWARD: Great. Could you please
18 raise your right hand?

19 Do you swear or affirm that the testimony
20 you will give today is the truth, the whole truth, and
21 nothing but the truth?

22 THE WITNESS: I do.

23 JUDGE HOWARD: All right. Thank you.

24 Ms. Barnett, could you please introduce the
25 witness and tender him for examination.

1 MS. BARNETT: Yes.

2

3 GILBERT ARCHULETA, witness herein, having been first
4 duly sworn on oath, was examined
5 and testified as follows:

6

7 DIRECT EXAMINATION

8 BY MS. BARNETT:

9 Q. Mr. Archuleta, could you please state your full
10 name and spell your name for the court reporter?

11 A. Gilbert Archuleta, A-r-c-h-u-l-e-t-a.

12 Q. And what's your role at Puget Sound Energy?

13 A. I am the Director of Customer Energy Management.

14 MS. BARNETT: Thank you.

15 And PSE tenders Gilbert Archuleta for
16 cross-examination.

17 THE COURT: All right. Thank you.

18 I see that Staff indicated cross.

19 MR. CALLAGHAN: I did, Your Honor. Should I
20 proceed?

21 JUDGE HOWARD: Please proceed.

22 MR. CALLAGHAN: Thank you.

23 CROSS-EXAMINATION

24 BY MR. CALLAGHAN:

25 Q. Mr. Archuleta, good afternoon.

1 A. Good afternoon.

2 Q. So, Mr. Archuleta, based on Ms. Durbin's
3 testimony today, I actually only have a few clarifying
4 questions for you, so this should be fairly brief.

5 Do you have a copy of your rebuttal testimony,
6 Exhibit GA-1T with you?

7 A. I do.

8 Q. And do you have a copy of Joel Nightingale's
9 response testimony, which is Exhibit JBN-1T?

10 A. Let me get that one. I have that in front of
11 me.

12 Q. Okay. Thank you.

13 So let's start with your rebuttal testimony.
14 Could you turn to page 26 for me?

15 A. All right. I am there.

16 Q. Thank you.

17 So on lines 12 and 13, you state, quote:
18 Additionally, Staff wants PSE to update the demand
19 response target in the biennial conservation plan and
20 PSE intends to do just that.

21 Just to clarify there, did you mean the biennial
22 CEIP update, not the biennial conservation plan?

23 A. I meant the biennial conservation plan, but we
24 will also update the biennial CEIP.

25 Q. Okay. So just to be clear, PSE's position is

1 that it will update in the biennial CEIP update?

2 A. Correct.

3 Q. Okay. All right. If you could turn now to your
4 rebuttal testimony on page 21 for me, and let me know
5 when you're there.

6 A. All right. I'm there.

7 Q. Okay. On lines 14 and 25, you state: Staff
8 argues that the demand response target of 23.7 megawatts
9 should include critical peak pricing and time-of-use
10 programs; is that correct?

11 A. Correct.

12 Q. All right. Could you turn -- well, sorry.

13 In support of that statement, in footnote 17 on
14 that same page, you cite Staff witness Nightingale's
15 testimony on page 9, lines 10 and 11; is that correct?

16 A. I do.

17 Q. All right. Could you turn to Staff witness
18 Nightingale's testimony at page 9 for me? And let me
19 know when you're there.

20 A. I'm there.

21 Q. All right. Could you review the question and
22 answer that starts on page 9, line 14, and let me know
23 when you're finished.

24 A. All right. I've reviewed it.

25 Q. All right. Does that portion of

1 Mr. Nightingale's testimony state that the demand
2 response target should include the critical peak pricing
3 and time of use programs in this CEIP?

4 A. It does not.

5 Q. Okay. So clarify, does Mr. Nightingale's
6 response indicate that Staff, in fact, does not object
7 to excluding those programs from the DR target at this
8 time?

9 A. I believe so.

10 Q. Okay.

11 MR. CALLAGHAN: No further questions.

12 JUDGE HOWARD: Do we have any redirect?

13 MS. BARNETT: Not at this time. No, thank
14 you.

15 JUDGE HOWARD: Certainly. Yes, and I was
16 just asking for that particular party's cross.

17 All right. NWECC and Front and Centered
18 indicated cross for this witness as well.

19 You may proceed.

20 MS. GOODIN: Thank you, Your Honor.

21 CROSS-EXAMINATION

22 BY MS. GOODIN:

23 Q. Good afternoon, Mr. Archuleta. I have just a
24 couple questions for you today. I think you mentioned
25 you had your testimony available.

1 Could you go ahead and turn to page 23?

2 A. All right. I'm there.

3 Q. Thanks. And at 23 -- page 23 from line 16 going
4 through page 24, line 7, you've listed a few specific
5 demand response programs that PSE might target to named
6 communities beginning in 2023; is that right?

7 A. Correct.

8 Q. The programs you listed included providing smart
9 thermostats and water heater modules to named community
10 customers, rolling out a behavioral demand response
11 specifically to named communities, and co-deployment of
12 demand response with PSE's home weatherization
13 assistance and efficiency boost programs; correct?

14 A. Correct.

15 Q. But none of these demand response programs for
16 named communities are discussed in the CEIP; is that
17 correct?

18 A. That is correct.

19 Q. And PSE has not put into the record for this
20 proceeding any analysis of how these specific demand
21 response programs would impact named communities; is
22 that correct?

23 A. That is correct.

24 MS. GOODIN: Thank you. I have no further
25 questions, Your Honor.

1 JUDGE HOWARD: Any redirect following this
2 cross?

3 MS. BARNETT: No, Your Honor.

4 THE COURT: All right. The Energy Project
5 also noted it may cross this witness.

6 MR. FFITCH: Yes. Thank you, Your Honor.

7 CROSS-EXAMINATION

8 BY MR. FFITCH:

9 Q. Good afternoon, Mr. Archuleta.

10 A. Good afternoon.

11 Q. My name is Simon ffitch, and I'm the lawyer for
12 The Energy Project in this case. And I'm also going to
13 direct you to your rebuttal testimony, which is Exhibit
14 GA-1T. So if you have that handy.

15 And, actually, start out with your conclusion,
16 page 27 -- that -- the first Q and A there, starting at
17 line 2.

18 Well, just a general question. Would you agree
19 that as a general proposition, energy efficiency is a
20 resource-related consideration that should be taken into
21 account in a resource planning process?

22 A. I'm sorry. You cut out with part of that. So
23 could you restate that question, please?

24 Q. Sure. You would agree, would you not, that as a
25 general proposition, energy efficiency is a resource-

1 related -- or is resource related and should be
2 considered in a resource planning process?

3 A. Generally, yes.

4 Q. And that would also apply to low income energy
5 efficiency and programs, such as weatherization;
6 correct?

7 A. Again, generally, yes.

8 Q. PSE is not arguing in this case that CBIs and
9 metrics related to energy efficiency or low income
10 energy efficiency are beyond the scope of the CEIP on
11 the basis that they're not resource related. You're not
12 making that argument with regard to energy efficiency;
13 correct?

14 A. No.

15 Q. Your position, if I can just characterize it
16 generally, is that -- and I think this is reflected on
17 page 27, is that those are better addressed in the BCT
18 process and not in the CEIP?

19 A. Correct.

20 Q. Is that a correct summary?

21 Okay. But let's look at page 8 for my next
22 question, rebuttal Exhibit GA-1T, starting at line 5.

23 And there you say that -- and this is kind of,
24 again, restating your position that these issues should
25 be addressed in the BCP process, biennial conservation

1 planning process and then you say at line 8, that's
2 simply reflected in the CEIP.

3 And so my question is, so -- Puget does not
4 object to and is comfortable with bringing in material
5 from the BCP process into the CEIP; is that a fair
6 understanding?

7 A. Well, I would clarify by saying that the
8 intention of -- of that comment was really to
9 demonstrate that there are two distinct processees at
10 play here. And so that the energy efficiency targets
11 and the planning around programs to support those
12 targets are already encompassed in our biennial
13 conservation planning and it's already a regulatory
14 process.

15 So anything reflected in the CEIP related to
16 energy efficiency then should be pulled from the
17 already-established process and reflected in the CEIP.

18 Q. Okay. I understand that -- that's what I was
19 trying to get at, that the CEIP does pull important
20 information from the BCP process. And Puget is not
21 objecting to reaching out into that other process to
22 bring in, you know, the products of the BCP process into
23 the CEIP; isn't that correct?

24 A. I would say that would be generally correct,
25 other than I wouldn't blur the processees; right?

1 The framework by which we go through to
2 establish conservation targets and the planning for
3 programs is one process; the CEIP is another process.

4 And so if you're stating that when we reflect to
5 the BCP in the CEIP where it's appropriate, I would
6 agree with that, as long as you are not making decisions
7 around what happens in the BCP through the CEIP process,
8 because you would then blur the two -- two frame works.

9 Q. Okay. And you mention here in this testimony
10 that the -- this process involves working with the
11 Conservation Resource Advisory Group, CRAG; is that
12 right?

13 A. I do.

14 Q. Isn't it -- isn't it true that the company does
15 also work with the CRAG on the CEIP process, including
16 CBIs and metrics and is actually supposed to and is
17 required to do that kind of work in coordination with
18 CRAG under the Commission's rule? Under the
19 Commission's CETA rules.

20 A. I -- I don't believe that is true. It is not my
21 understanding that -- the Conservation Resource Advisory
22 Group was really, a part of how we were responding to
23 our energy efficiency responsibilities from a regulatory
24 perspective, and so they advise on those things related
25 to conservation and energy efficiency.

1 I would need you to point to where you would see
2 that required in the CEIP. We have an Equity Advisory
3 Group that -- that supports the CEIP process. But I --
4 I don't know where you might be referring to as it
5 refers to the CRAG.

6 Q. Okay. So you're not aware that the company is
7 under any obligation to work with its -- any of its
8 advisory groups other than the Equity Advisory Group on
9 low income energy efficiency issues?

10 A. I wouldn't say that.

11 What I'm saying is that, uh, based on -- on the
12 question, as I heard it, I don't know that there's any
13 expectation in the CEIP that we're working with the
14 CRAG.

15 What I would offer, however, is that we
16 generally are looking at all of our advisory groups to
17 advise us in making the appropriate and prudent
18 decisions in all the varying processes that we have to
19 go through.

20 So there would be some engagement from that
21 perspective, but I'm unaware of a requirement for that.

22 Q. Okay. Now the biennial conversation process is
23 generally conducted under the Energy Independence Act;
24 is that right?

25 A. Correct.

1 Q. Does Puget have any obligations under the
2 energy -- under CETA that are not, uh, reflected in the
3 Energy Independence Act?

4 A. I'm not -- can you restate that question,
5 please?

6 Q. Does Puget have any obligations under the --
7 under CETA that are different than the Energy
8 Independence Act?

9 Or, actually, the way I asked it the first time
10 was any obligations that are not reflected in the Energy
11 Independence Act.

12 A. Well, I would offer, again, that these are two
13 distinct obligations and processes.

14 So what I would offer is that the independence
15 act really provides regulation around how we look at and
16 determine our conservation energy efficiency processes
17 and targets. And those -- the results of that process
18 can be reflected in the CEIP, but not decided through
19 the CEIP process. They are decided through the -- the
20 biennial conservation planning process.

21 Q. Okay. Well, I'll ask my question again.

22 Isn't it the case that CETA has other -- or
23 additional obligations for Puget beyond what are in the
24 Energy Independence Act?

25 A. I would say that CETA added additional

1 responsibilities to PSE to comply with the law, yes. If
2 that's what your question is?

3 Q. Yes, that's my question. And, as an example,
4 adoption of customer benefit indicators is a new
5 requirement under CETA that's not found in the Energy
6 Independence Act?

7 A. Correct. I agree.

8 Q. Okay. And the biennial conservation process
9 does not involve establishment or adoption of any
10 customer benefit indicators or metrics; does it?

11 A. It does not.

12 MR. FFITCH: Thank you, Mr. Archuleta.
13 Those are all my questions, Your Honor.

14 JUDGE HOWARD: All right. Thank you.
15 Do we have any redirect?

16 MS. BARNETT: Just one.

17 REDIRECT EXAMINATION

18 BY MS. BARNETT:

19 Q. Mr. Ffitch -- Mr. Archuleta, Mr. Ffitch was
20 asking you about a requirement in CETA to engage with
21 the CRAG.

22 Do you recall those questionings?

23 A. I do.

24 Q. Do you -- are you aware whether or not PSE
25 engages with CRAG as part of its engagement with all

1 advisory groups on the CEIP?

2 A. Yes. PSE engages across advisory groups as we
3 look at the CEIP and its inputs.

4 Q. Does that include CRAG?

5 A. It does.

6 MS. BARNETT: Thank you. No further
7 questions.

8 JUDGE HOWARD: Okay. Thank you.

9 Are there any questions from the bench for
10 Mr. Archuleta?

11 COMMISSIONER RENDAHL: Yes, Your Honor. I
12 have a few questions for Mr. Archuleta.

13 JUDGE HOWARD: Please go ahead.

14 COMMISSIONER RENDAHL: Thank you.

15 EXAMINATION

16 BY COMMISSIONER RENDAHL:

17 Q. Mr. Archuleta, you have your rebuttal testimony
18 in front of you?

19 A. I do.

20 Q. And in that testimony you reference a number --
21 that a number of other parties' proposals are more
22 appropriately addressed in the next biennial
23 conservation plan.

24 And I just want to clarify that when you're
25 referring to the, quote/unquote, "next plan," you're

1 referring to the 2024/2025 biennial conservation plan
2 that the company is due to file in November 2023;
3 correct?

4 A. Correct.

5 Q. Okay. So you're not referring to some other
6 plan? I just needed to clarify that.

7 A. No, that is the plan I'm referring to.

8 Q. Excellent. Thank you.

9 Okay. So in the same testimony, if you could
10 turn to page 22 of your testimony. I'll turn to it as
11 well.

12 All right. On that page -- are you at page 22?

13 A. I am. Thank you.

14 Q. Okay. So starting at line 8 and then continuing
15 on to the next page, 23, up to line 13, it appears that
16 PSE has been further developing its demand response
17 programs in preparation for the biennial conservation
18 plan; is that correct?

19 A. Correct.

20 Q. Okay. And in response to the questions from
21 Mr. ffitch and -- and your counsel, it's correct that
22 PSE is engaging with the Conservation Resource Advisory
23 Council in developing these programs, both in the CEIP
24 and in the biennial conservation plan?

25 A. Correct.

1 Q. Okay. If you look at the last page of your
2 testimony, you are recommending that the Commission
3 approve the energy efficiency and demand response
4 targets in the CEIP even though you're stating that
5 those would be the subject of review in the biennial
6 conservation plan; correct?

7 A. I would like to clarify that response. Part of
8 this is timing. So when the current biennial
9 conservation plan was already in planning and ready for
10 filing when the CEIP planning was happening, so those
11 numbers reflected or pointed to from the currently filed
12 CEIP are reflective of the current BCP. And so what I
13 was trying to demonstrate is that we have the targets
14 currently in the CEIP were a result of the analysis in
15 the current BCP. And those will evolve as we work on
16 the next BCP. Sorry for so many acronyms. But that was
17 my intention.

18 Q. No. That is the world we live in. So I guess
19 the question is, is it more appropriate to request that
20 the Commission approve the targets subject to these
21 being updated in the biennial conservation plan, as
22 opposed to approving them and then approving the
23 biennial conservation plan.

24 A. Well, I -- I -- my recommendation is really
25 meant to demonstrate that if we're looking at the 2021

1 CEIP as filed, we -- we leverage the information we had
2 at the time and the BCP we had at the time and then
3 leverage the mechanisms already in place to update that
4 plan appropriately.

5 So we were expecting that through the normal
6 biennial update to the CEIP that we reflect any new
7 information that is the result of the planning of the
8 next BCP.

9 Q. Thank you.

10 And I understand that we have multiple
11 processees going on. So thank you for that
12 clarification.

13 I just have one other question for you,
14 Mr. Archuleta. And that's -- if you look at page 25 of
15 your testimony, starting at line -- at lines 18
16 through 20. And at that point you're talking about
17 enrolling -- planning to enroll customers with existing
18 smart devices as a part of the demand response and
19 energy efficiency proposal and then possibly
20 co-deploying them to be included in the next biennial
21 conservation plan.

22 So does PSE already have a count of customers
23 with existing smart devices?

24 A. We -- sorry.

25 Q. No. Let's start with that.

1 A. We do have information regarding customers who
2 have smart devices. I wouldn't say it's exhaustive, but
3 we do have information and would work together more
4 information so that we could effectively roll out these
5 programs and impact the largest amount of customers as
6 we can.

7 Q. Okay. And then how about the number of
8 customers that will need to be provided smart devices as
9 a part of co-deployment of demand response in energy
10 efficiency programs?

11 Is that more subject to the biennial
12 conservation plan development or is that part of the RFP
13 results or both, and if you could explain?

14 A. I would say it's both -- so we're still in
15 the -- the final stages of executing contracts for our
16 demand response programs and engagements. And so
17 dependent on the successful execution of those
18 contracts, we plan to develop programs to reach as many
19 people as possible.

20 So at that time or as a part of that planning
21 process, we would identify any data needs or gaps that
22 we have to make sure we have a wholistic view of our
23 customer base so we can effectively do education
24 outreach and enroll as many people as possible.

25 So it would be part of -- it's contingent on

1 execution of the RFP process, and then it will be
2 planned for in this planning process for the next PCP.

3 Q. And you may or may not be able to answer this,
4 but as you're working on -- working with these vendors
5 through the RFP, are you incorporating the learning that
6 you might have gathered through this process and the
7 CEIP about the needs and requests of vulnerable
8 populations and highly impacted communities and how
9 better to serve those through a demand response, or is
10 that something that's going to have to be done
11 iteratively after you let the contracts for demand
12 response?

13 A. We've actually already started some of that
14 work. Recognizing that equity and affordability is
15 really one of our cornerstones and one of our focus
16 areas; so we're already working toward that end.

17 So I wouldn't say it has to happen or be
18 iterative. I think it's happening concurrently to
19 everything else that's going on. We want to make sure
20 that we have the right kind of information and data and
21 inputs, so as we devise and design our next BCP programs
22 that we have all of this fully in focus and were able to
23 reach the right amount of people and the most amount of
24 people, specifically in those low income and vulnerable
25 communities.

1 Q. All right. And you will be discussing with your
2 various advisory groups how you include that information
3 with rolling out the products, or is that more of a
4 question for Mr. Einstein?

5 A. We both, probably, answer that question, but I
6 would say that we will be leveraging the CRAG for our
7 energy -- energy efficiency specific programs. And then
8 we also have a coordination with our Equity Advisory
9 Group, just as a checks-and-balances kind of process, to
10 make sure the advisory groups are understanding our
11 progress and are able to provide the right kind of input
12 so we're making the right decisions in regards to these
13 communities.

14 Q. Okay. Thank you.

15 COMMISSIONER RENDAHL: Your Honor, I have no
16 further questions.

17 JUDGE HOWARD: All right. Are there any
18 further questions from the bench for this witness?

19 CHAIR DANNER: Not from me, your Honor.

20 COMMISSIONER DOUMIT: No, Your Honor.

21 JUDGE HOWARD: All right. I'd like to thank
22 Mr. Archuleta for your testimony today.

23 You are excused from the remainder of the
24 hearing.

25 Our next witness, taking them in order,

1 would be Phillip Popoff.

2 And if I recall correctly, NWECC and Front
3 and Centered indicated that they may need to cross the
4 witness but they may not.

5 So I would like to check in with the party
6 on that.

7 MS. TACK-HOOPER: Your Honor, we do not need
8 to question Witnesses Popoff or Phillips; that time was
9 just to deal with any evidentiary issues, but since all
10 the exhibits have been moved in, we're good.

11 JUDGE HOWARD: All right. Are there any
12 questions from the bench for this witness, Phillip
13 Popoff?

14 COMMISSIONER RENDAHL: I have none, Your
15 Honor.

16 CHAIR DANNER: No, Your Honor.

17 COMMISSIONER DOUMIT: None from me, Your
18 Honor.

19 JUDGE HOWARD: All right. We'll move on to
20 the next witness, William Einstein.

21 Could you please turn on your camera feed?
22 And I'll swear you in.

23 MS. BARNETT: Your Honor, we are just
24 getting settled here, transitioning chairs.

25 JUDGE HOWARD: Certainly.

1 All right. Mr. Einstein, can you hear me
2 and see me all right?

3 THE WITNESS: Yes, I can.

4 JUDGE HOWARD: All right. Great. Could you
5 please raise your right hand? And I'll swear you in.

6 Do you swear or affirm that the testimony
7 you will give today is the truth, the whole truth, and
8 nothing but the truth?

9 THE WITNESS: I do.

10 JUDGE HOWARD: All right. Thank you.

11 Ms. Barnett, could you please introduce the
12 witness?

13 MS. BARNETT: Thank you.

14

15 WILLIAM T. EINSTEIN, witness herein, having been first
16 duly sworn on oath, was examined
17 and testified as follows:

18

19 DIRECT EXAMINATION

20 BY MS. BARNETT:

21 Q. Good afternoon, Mr. Einstein.

22 Could you please state your name and spell your
23 name for the court reporter?

24 A. William T. Einstein. Last name is

25 E-i-n-s-t-e-i-n.

1 Q. And what's your role at PSE?

2 A. I'm the Director of Product Development and
3 Growth.

4 Q. Thank you.

5 MS. BARNETT: PSE now tenders Mr. Einstein
6 for cross-examination.

7 JUDGE HOWARD: Thank you.

8 Mr. Callaghan, you may go ahead.

9 MR. CALLAGHAN: Thank you, Your Honor.

10 CROSS-EXAMINATION

11 BY MR. CALLAGHAN:

12 Q. Good afternoon, Mr. Einstein.

13 A. Good afternoon.

14 Q. Do you have a copy of your rebuttal testimony,
15 Exhibit WTE-1T with you?

16 A. I do.

17 Q. Your rebuttal testimony describes PSE's product
18 development process; correct?

19 A. That is correct.

20 Q. And you state that PSE began using this product
21 development process in 2019; is that right?

22 A. That is correct.

23 Q. On page 4 of your rebuttal testimony, in Figure
24 1, you give a range for the timing of each phase in the
25 product development process; is that right?

1 A. That is correct.

2 Q. And this range, is this an average for how long
3 each phase takes? Is this a maximum or minimum?

4 A. It's a range based upon experience that we've
5 had. Each product takes a -- can take a different
6 amount of time in each of the phases, depending upon the
7 maturity of our thought work, but each of those phases
8 as we get to them.

9 Q. Okay. Is it fair to say that for most product
10 development processes each phase typically falls into
11 this range that you provided in Figure 1?

12 A. It can, but that's not an exclusive.

13 Q. Okay. And does Figure 1 state that the ideation
14 phase takes usually between one to three months?

15 A. Yes, it does.

16 Q. And the design phase takes between three and six
17 months?

18 A. That's what the figure says, yes.

19 Q. All right. And so together those phases would
20 usually take, at most, nine months; would that be fair
21 to say?

22 A. That would be the average for the chart for a
23 prototypical example. That's not the case for every
24 product we've designed.

25 Q. Okay. On page 6, lines 6 through 9 of your

1 rebuttal testimony, you state that the average product
2 development process, as a whole, can take anywhere from
3 12 to 18 months; correct?

4 A. That's what the beginning of that sentence says.
5 It also says, depending upon the complexity of the
6 product, the readiness, and the duration of our
7 regulatory review.

8 Q. Okay. And according to your testimony, on pages
9 6 and 7, the design phase includes activities such as
10 the development of a formal business plan and initial
11 cost estimates; is that right?

12 A. Yes, that's what it says.

13 Q. All right. And the development phase is when
14 PSE would be making a tariff filing with the Commission
15 for approval; is that right?

16 A. Yes, that's where we typically do the
17 development -- what we typically do in the development
18 phase, yes.

19 Q. All right. And is it safe to assume that a
20 filing before the Commission for approval would occur
21 relatively early on in the development phase?

22 A. Not necessarily. Usually, it can occur as we
23 get closer to the end of the development phase. Because
24 usually the development phase we're working on final --
25 final design and understanding of that.

1 And then as we work through the development
2 phase, that's where we head towards Commission and
3 corporate approval.

4 Q. Okay. But your testimony states that the
5 development phase includes the filing and the approval
6 of the -- before the Commission; correct?

7 A. Right. You asked me if it occurred at the
8 beginning, typically. And I said, no, it usually -- it
9 can occur at any point in that process, but...

10 Q. Okay. So under this product development
11 process, on average, a product should be ready for a
12 filing at the Commission at some point in the
13 development phase; is that correct?

14 A. That would be -- as the example you laid out,
15 yes. It's not the case with every product; but yes.

16 Q. Okay. So could you turn to page 26 of your
17 rebuttal testimony?

18 Let me know when you are there?

19 A. I am there.

20 Q. All right. On page 26, line 23, and continuing
21 on to page 27 to line 14 of your rebuttal testimony, in
22 response to Staff's proposed condition on the approval
23 of the 80-megawatt DER subtarget, you state that PSE
24 agrees with Staff's recommendation of engaging with the
25 EAG and other advisory groups in the review of DER

1 product concepts.

2 But you go on to state that requiring this by
3 the 2021 -- and that this condition should apply to the
4 2025 CEIP instead; is that accurate?

5 A. Can you repeat the second half of that question?
6 Because the internet connection kind of garbled most of
7 what you were saying in the second half.

8 Q. Yes.

9 So in response to Staff's proposed condition on
10 the approval of the 80-megawatt DER subtarget, could you
11 state -- and this is, again, on page 26, starting at
12 line 23 and then going on to page 27, line 14.

13 You state that PSE agrees with Staff's
14 recommendation of engaging with the EAG and other
15 advisory groups in the review of DER product concepts,
16 but you go on to state that requiring this by the 2023
17 CEIP update is unnecessarily aggressive and that this
18 condition should apply to the 2025 CEIP instead; is that
19 accurate?

20 A. Yes. That is what it says.

21 Q. All right. On page 10, lines 5 through 9 of
22 your testimony, you state that PSE intends to file
23 tariff provisions this year on these DER product
24 offerings; is that right?

25 A. Sorry, I'm going to page 10.

1 Q. Okay. Take your time.

2 A. What line did you say that was?

3 Q. Lines 5 through 9.

4 A. And so your question, again, please?

5 Q. Yeah. You state that PSE intends to file tariff
6 revisions this year on these DER product offerings; is
7 that right?

8 A. Not tariff revisions. They would be in nearly
9 every case with the exception of our community solar
10 product, it would be a new tariff for consideration by
11 the Commission.

12 Q. Okay. So you plan to make tariff filings
13 related to these DER product offerings, though; correct?

14 A. We do intend to make tariff filings, and we
15 would do that for any product that requires engagement
16 for customers. And that process would begin in '23. It
17 wouldn't necessarily be complete in '23.

18 Q. Thank you.

19 And you also state in that same answer that PSE
20 intends to share greater detail about the potential
21 product offerings as it consults with highly impacted
22 communities, vulnerable populations, and other customers
23 prior to filing.

24 Is that PSE's -- is that still PSE's intention?

25 A. Yes.

1 Q. All right. So based on your explanation of
2 PSE's product development process earlier in your
3 testimony, do I understand correctly that PSE expects to
4 reach the development phase for these DER products
5 sometime this year after it has consulted with named
6 communities on those potential products?

7 A. That would be correct.

8 Q. All right. So if that's the case, could you
9 clarify for me why you believe Staff's condition to
10 consult advisory groups on the DER selection process is
11 unnecessarily aggressive?

12 A. Well, the -- the work to do the development of
13 the products and tariffs, as we've discussed here, takes
14 several months. We've also discussed, and it was
15 discussed by Witness Durbin, that the information that
16 led into the development of the preferred portfolio is
17 several years old. We started that process almost a
18 year before we started the -- submitted the CEIP and now
19 we're more than a year into the -- the review of the
20 CEIP. So we need to go through a process of
21 re-evaluating the preferred portfolio.

22 We need to update the cost and the estimates
23 associated with that, and then we need to also complete
24 the work that we've already started to engage with named
25 communities and customers in vulnerable populations and

1 collect that data before we can finalize the development
2 process.

3 So while you were asking me about where we are
4 at in the product development process, it's not the same
5 for every product that we're considering for DERs. It's
6 also not the same for the maturity of where we're at.

7 In some cases, we're going to probably actually
8 have to go backwards a bit into the design phase to
9 better understand how this works, depending upon the
10 feedback we get from the -- from the customers and
11 communities that we're consulting with in our process
12 right now.

13 So our intention is to begin the process of
14 filing tariffs with the Commission over the course of
15 this year. They would be for products that are much
16 more close to the completion of their maturity. But
17 there probably will be some products that are more
18 complex, need further review, further design, and
19 further consultation with parties before we would feel
20 comfortable filing them. And that would take place
21 probably after '23.

22 Q. All right. So just to clarify, in your
23 testimony you state that PSE generally supports the
24 concept of engaging with the EAG and other advisory
25 groups to review the product concepts. And you're just

1 challenging the timing.

2 So you're saying that the 2023 biennial update
3 is too soon and you're asking that this condition be
4 applied to the 2025 CEIP; correct?

5 A. My biggest concern in this whole process is just
6 the timing and the collision of various schedules to try
7 and get these things done. And we intend to engage with
8 groups. We intend to engage with all the interested
9 parties who are participating in this proceeding, and we
10 intend to incorporate the feedback that we hear, along
11 with updated costs and estimates.

12 That will take us some time. We are happy to
13 provide a progress update as part of the '23 update on
14 the work that we've done, but I'm very reluctant to
15 commit to having all of that work completed by August or
16 September of this year when we have to circulate a
17 draft. I mean, that's a mere four months after we
18 received the order from this process and there's still a
19 great deal of engagement to do with various parties and
20 discussion with the conservation resource advisory group
21 as to whether they are even interested in taking over
22 advice related to DERs.

23 Q. Mr. Einstein, did you read the Commission Staff
24 comments on PSE's Final CEIP that were filed in
25 March 2022?

1 A. I don't believe I did, no.

2 Q. Is it safe to assume that someone at PSE read
3 Staff's comments filed in March of last year?

4 A. I'm guessing, yes, they probably did.

5 Q. All right. So, hypothetically, if Staff made
6 the recommendation to consult with advisory groups on
7 the development of DER programs in its March '22
8 comments, and this recommendation was made back then,
9 could PSE have engaged in that process throughout 2022?

10 A. I think it was Witness Durbin explained in her
11 responses around this issue, there was a lot that
12 happened in the space of 2022 relative to this
13 proceeding that impacts -- and the outcomes of this
14 conversation will impact the decisions in the design
15 sweep we employ for products that we intend to offer,
16 particularly for DERs.

17 So while we begin the process of engaging with
18 customers in our communities to understand where their
19 interests are very late in 2022, we did not revisit and
20 re-evaluate all of the products yet because that work is
21 pending the outcome of this proceeding.

22 Q. Well, I'm confused by that, Mr. Einstein,
23 because this is a condition that, according to your
24 testimony, PSE agrees with.

25 You're just saying that there's not enough time;

1 isn't that right?

2 A. I'm saying there's not enough time from
3 following receipt of the order and relative to this
4 proceeding.

5 Q. Right. But if PSE received this as part of
6 their comments in March '22, and they agreed with this
7 recommendation, why hasn't the company begun to
8 implement it?

9 A. I guess my -- my response would be, I didn't
10 review those comments at that point in time. And at
11 that point in time, the products that we had put into
12 the portfolio relative to the CEIP, we had not received
13 the parties' response testimony, which is very
14 informative and provided feedback relative to where the
15 parties were at on the preferred portfolio for DERs and
16 that's the information I responded to in preparing my
17 rebuttal testimony.

18 This proceeding has gone on for a very long
19 period of time. But it's also created a great deal of
20 uncertainty about where we should be at. And there are
21 other products we're bringing to our customers at this
22 time that are -- we focused our efforts on.

23 Q. All right. If the Commission were to order PSE
24 today to meet Staff's recommended condition as soon as
25 possible, approximately how long do you think that would

1 take the company?

2 A. Well, as I mentioned, we intend to bucket the
3 development of the DER products into two buckets similar
4 to how we developed our transportation electrification
5 programs. And the first bucket of those will be the
6 products that we believe are mature and ready for the
7 Commission to approve in sort of a first phase; and then
8 the second phase will be ones that take a longer period
9 of time.

10 I can't commit to when we will finish the
11 development and submission phase for the -- for the
12 second batch of products. Our hope is that we will be
13 able to get the first set of tariffs submitted to the
14 Commission during 2023.

15 MR. CALLAGHAN: No further questions. Thank
16 you, Your Honor.

17 THE WITNESS: Some of those will largely
18 depend upon the --

19 MR. CALLAGHAN: Sorry. Mr. Einstein, I have
20 no further questions. Thank you.

21 JUDGE HOWARD: All right. Thank you.

22 Any redirect following that cross?

23 MS. BARNETT: No, Your Honor.

24 JUDGE HOWARD: Okay. Public Counsel also
25 noted some time for this witness. You may proceed.

1 MS. SUETAKE: Thank you.

2 CROSS-EXAMINATION

3 BY MS. SUETAKE:

4 Q. Good afternoon. My name is Nina Suetake, and
5 I'm here on behalf of Public Counsel Unit.

6 Do you have your rebuttal testimony in front of
7 you?

8 A. Yes, I do.

9 Q. Could you please turn to page 4 of your rebuttal
10 testimony with that product development process,
11 Figure 1?

12 A. Yes.

13 Q. Now, does this -- and I know we discussed this a
14 little with -- with Staff's counsel, but is this process
15 intended to develop product once that product has been
16 chosen?

17 A. "Once that product has been chosen," I don't
18 understand what you mean by "chosen."

19 Q. I'm trying to understand how this one and this
20 process interacts with a larger portfolio selection
21 process.

22 At what point does defined strategy to, you
23 know, "go to market" fit in a process of developing your
24 portfolio?

25 A. So in the -- in the -- the best example I can

1 use is in the case where transportation electrification
2 plans.

3 We did -- in the development of that plan, we
4 prepared and looked at a variety of product concepts
5 that we might be able to develop in order to execute the
6 plan.

7 That product process involved some ideation and
8 some initial design and concept building around what the
9 products look like in order to assemble them,
10 essentially, into a portfolio that we could then present
11 to the Commission for its acknowledgement and created
12 essentially a five-year view of the products we would
13 then finalize and bring to the Commission to serve our
14 electric transportation customers.

15 So that process in the case of that work, we did
16 some ideation and design initially to develop that
17 portfolio, but then we picked this process up again
18 after the acknowledgement of that plan because that
19 gives us indication from the parties as well as from the
20 Commission about any concerns or issues or modifications
21 we need to make and we did receive a great deal of
22 feedback through that process. We incorporated that
23 feedback and then we developed -- we broke the products
24 that we were going to bring to market into two different
25 phases. And we developed phase one and went through the

1 rest of this process to develop that brought those to
2 the Commission for their approval last spring.

3 And then we began the process of ideation --
4 final ideation and design for the second phase, which
5 will go to the Commission later this spring.

6 So assuming that this entire process is
7 indicative of something that's extremely linear, isn't
8 always the case.

9 Sometimes we do parts of this in order to build
10 a portfolio of thoughts around what a product -- suite
11 of products would look like, and then we pick that
12 process back up again in order to complete its readiness
13 for approval and submission to the Commission, if
14 necessary.

15 Q. So is your testimony replacing pages 32
16 through 42 of the -- Chapter 2 of the CEIP, because
17 it --

18 A. I don't know what "replacing" means.

19 We -- both of -- we submitted a plan to the
20 Commission in the CEIP of the things we thought at that
21 point were concepts that we could implement in the space
22 of distributed energy resources. And my testimony talks
23 about how we will pick that work up and continue forward
24 with that work based upon the time that is elapsed,
25 which is nearly two years since we developed that

1 initial suite of products.

2 Q. So when you say "pick it up," do you mean you
3 take -- going forward, do you have products in mind and
4 then you'll start another round of ideation with those
5 projects in mind?

6 A. We're going take the list of the product
7 concepts that we submitted as part of the CEIP and
8 re-evaluate them and analyze them both for costs as well
9 as the feedback and the approval -- I mean, not the
10 approval, the feedback and the input that we receive
11 from parties along the way and determine at that point
12 which products we believe could be most ready to come
13 back to the Commission for their review and approval and
14 discussion with the various parties participating in
15 this proceeding before we do that.

16 And so we're -- we're -- when I say we're
17 picking it up, we're going to take what's there, the
18 feedback we've received. We're going to then
19 re-analyze, update costs, engage our customers and
20 communities, which we're already doing, converse with
21 the appropriate advisory groups and then seek final
22 input and feedback, and then we will bring that back to
23 the Commission for its approval.

24 And that will happen for every product that we
25 intend to offer for customer use as part of our DER

1 work. And it's the same model that we've used for all
2 the products we've developed today.

3 Q. When you say "the same model," I'm -- I have
4 been focused in my previous cross-examination of PSE
5 Witness Durbin on the portfolio selection process.

6 When you say "process," are you talking about
7 that portfolio selection process or product development
8 process?

9 A. I'm talking about the product development
10 process. The process we go by once we've determined
11 that a product is ready and viable for discussion with
12 customers, communities, advisory groups and everyone
13 else and that we find that design and we take it forward
14 to the Commission for its continued review, scrutiny,
15 and approval.

16 Q. Okay. That's helpful.

17 So then if I'm understanding this correctly, the
18 discussion about the portfolio process in Ms. Durbin's
19 testimony doesn't -- isn't replaced by your discussion
20 about the product development process; is that correct?

21 A. No -- well, yes, you are correct. No, it does
22 not replace it.

23 In this case, you know, this is the process we
24 go through for every product that we bring to the
25 Commission for approval, whether it's involved in the

1 CEIP or not.

2 In the case of the CEIP, we put together some
3 initial product concepts in the suite of -- initial
4 suite of product concepts that we intended to suggest
5 for their approval.

6 We did some initial scoring relative to CBIs,
7 which is something we've never done before. And so we
8 made an attempt at how we might go about doing that.

9 And then, over the last year, we received the
10 feedback and input from the various parties about what
11 that looks like. We will now take that all again, after
12 we receive the order in this process and finish the
13 process of -- of preparing each individual product for
14 its review consideration approval by the parties, as
15 well as the Commission and our customers.

16 Q. So from your viewpoint, has the -- has the
17 methodology and process the company has been using to
18 sort of develop the suite of programs to get to this
19 product development process, has that methodology
20 changed over the years? Last year and a half, I guess.

21 A. Well, we've only done it once. And we did it to
22 prepare this initial Clean Energy Implementation Plan.
23 It was a new way of doing it. It incorporated -- we
24 made an attempt at incorporating and scoring relative to
25 CBIs, but it's -- it's -- it is what it was at the time

1 we did it for the -- for the presentation of this
2 initial plan, which is our first attempt at figuring
3 this out.

4 Q. And since then, up until now, has PSE had
5 discussions about how to modify that suite selection
6 process, the sort of portfolio selection process?

7 A. We received a lot of feedback through this
8 process about it, and we're going to take that feedback
9 and we will re-evaluate the product process based upon
10 what we think can and should be improved.

11 Q. But there -- but there hasn't been any changes
12 as of yet; is that what I'm hearing?

13 A. Not in the suite selection process, because we
14 haven't received the final disposition of this case.

15 Q. So if I'm understanding it correctly, PSE has
16 said that that process was illustrative to begin with
17 and that there has been no work on the suite and
18 portfolio selection process since then; is that correct?

19 A. No work to revise it or change it, no.

20 MS. SUETAKE: Okay. Thank you. That is all
21 my questions.

22 JUDGE HOWARD: Any redirect following that
23 cross?

24 MS. BARNETT: No, Your Honor.

25 JUDGE HOWARD: Okay. Thank you.

1 NWEC and Front and Centered noted cross for
2 this witness as well.

3 MS. TACK-HOOPER: Yes. Thank you, Your
4 Honor.

5 CROSS-EXAMINATION

6 BY MS. TACK-HOOPER:

7 Q. Hi, Mr. Einstein. I represent Front and
8 Centered and the Northwest Energy Coalition in this
9 proceeding.

10 A. Good afternoon.

11 Q. As PSE's Director of Product Development and
12 Growth, you are responsible for the development and
13 marketing of new products for the utility; correct?

14 A. That is correct.

15 Q. You're not testifying in this proceeding as an
16 expert on equity; correct?

17 A. Correct.

18 Q. You'd agree that your background doesn't qualify
19 you as an expert on whether PSE's community engagement
20 process and DER products are or are not equitable;
21 correct?

22 A. I guess I would say, yes, that's correct.

23 Q. I have just a few questions about your testimony
24 regarding Front and Centered and NWEC's requested
25 condition that the CEIP designate a minimum percentage

1 of the energy benefits of PSE's DER programs for highly
2 impacted communities and vulnerable populations.

3 In your testimony, you noted that PSE's
4 Transportation Electrification Plan includes a
5 commitment to target 30 percent of spending within each
6 transportation electrification integrated product and
7 service to support equity-focused customers; correct?

8 A. That's correct.

9 Q. And you've noted that PSE would consider similar
10 spending designations for the 2023 biennial update to
11 the CEIP; correct?

12 A. Yes, we're in the process of and will review
13 what spending designations we can make relative to DER
14 products.

15 Q. Okay. But the CEIP that's being adjudicated
16 today does not designate a specific percentage of
17 spending for each DER product to support named
18 communities; correct?

19 A. I don't know that I know the answer to that.

20 Q. Okay. And do you know whether there are any
21 megawatts of DER that are explicitly allocated for named
22 communities in the CEIP?

23 A. I know that we laid out in some of the product
24 concepts some minimum amounts. But again, that's not
25 work that I prepared.

1 MS. TACK-HOOPER: Okay. We have nothing
2 further for Mr. Einstein.

3 THE COURT: All right. Thank you.
4 Any redirect?

5 MS. BARNETT: Yes, Your Honor.

6 REDIRECT EXAMINATION

7 BY MS. BARNETT:

8 Q. Mr. Einstein, how do you anticipate named
9 communities -- or how might engagement with named
10 communities inform what products PSE presents to the
11 Commission?

12 A. So we're in the process right now of -- of
13 convening a partnership with our consultant who supports
14 the Equity Advisory Group, a process that we used in the
15 transportation electrification work of engaging with
16 communities and customers about the -- about the types
17 of products and barriers and solutions to products that
18 they may be interested in and could support as part of
19 our DER product suite. And so right now we've begun
20 that process. That work is underway and we will finish
21 later this spring. And out of that, we hope to get
22 feedback around named communities and how funding
23 communities about how the products that we would bring
24 forward in the DER space could best serve them.

25 Q. And how long does it typically take to conduct

1 this engagement with the named communities about these
2 products?

3 A. It could take anywhere from three to five
4 months. It kind of depends upon when we start, how
5 quickly we get an uptake, and then how long it takes to
6 prepare the final report.

7 MS. BARNETT: I don't think I have anything
8 further. Thank you.

9 JUDGE HOWARD: The Energy Project also
10 noted possible cross for Mr. Einstein.

11 Mr. ffitch, do you wish to proceed?

12 MR. FFITCH: Yes, really one or two
13 questions.

14 CROSS-EXAMINATION

15 BY MR. FFITCH:

16 Q. Good afternoon, Mr. Einstein. I'm Simon ffitch
17 representing The Energy Project. I just wanted to
18 follow-up on your last interchange with your counsel.

19 Does Puget Sound Energy plan to interact with
20 its low income advisory group or its Conservation
21 Resource Advisory Group on this topic you were just
22 discussing?

23 A. We plan to engage with the conservation resource
24 advisory group as well as the Equity Advisory Group
25 throughout this process. Part of the work we need to do

1 at the Conservation Resource Advisory Group is meet with
2 them to discuss whether and how they might take DERs
3 into the umbrella of advice that they provide to the
4 company and to the Commission. We haven't had that
5 conversation with the members of that committee yet, but
6 we intend to do so.

7 Q. And have you had that conversation with members
8 of the low income advisory group?

9 A. No, we have not.

10 Q. And does Puget intend to have that conversation
11 going forward on the DER programs?

12 A. We would be happy to brief the low income
13 advisory group about the DER programs. My personal
14 concern is I -- I have some concern that we might
15 have -- because DERs do not currently have an assigned,
16 essentially, advisory group that we might end up having
17 too many advisory groups to effectively manage, given
18 the time constraints we have. But we are certainly
19 always happy to talk to any of the advisory groups to
20 present information about the work that we're doing.

21 At this point, I think we believe the
22 conversation resource advisory group from an expertise
23 standpoint is probably the most appropriate to provide
24 input on the design of the programs.

25 MR. FFITCH: No further questions. Thank

1 you.

2 JUDGE HOWARD: Any redirect?

3 MS. BARNETT: No, thank you.

4 JUDGE HOWARD: Do we have any questions from
5 the bench for Mr. Einstein?

6 COMMISSIONER DOUMIT: Yes, Your Honor.

7 Thanks.

8 EXAMINATION

9 BY COMMISSIONER DOUMIT:

10 Q. Mr. Einstein, you and Mr. Archuleta talked a lot
11 about interested party involvement in the processes, but
12 I want to get some specific, sort of, answers, you know,
13 as to when that occurs. So I'm going to ask you some
14 questions to -- for the record.

15 And I want you to go, please, to your rebuttal
16 testimony, page 4, in that flow chart.

17 A. Mm-hmm.

18 Q. Tell me when you're there.

19 A. Yes, I have it.

20 Q. Okay. And the very first stage labeled "define
21 strategy," it references "collaboration with leadership
22 and internal stakeholders."

23 Do you see that?

24 A. Yes.

25 Q. Okay. At this point -- or before this point, do

1 you ever discuss these ideas or proposals with external
2 entities or engage with your advisory group
3 participants?

4 A. Not usually at the define strategy phase, I
5 would say.

6 Q. Why not? If it's not, why not?

7 A. The define strategy phase is really pre-ideation
8 and really around -- I'm trying to think of a good
9 example to share with you about what that would look
10 like.

11 I mean, I guess I would say, sort of -- the best
12 example I can give is after transportation
13 electrification, after -- after we were given permission
14 by the legislature, submitted a transportation
15 electrification plan, we spent some time after receiving
16 that legislation that I would categorize as being
17 appropriate inside a defining strategy about what we're
18 going to do, how we're going to do it; that is really
19 the point at which I would say it is an internal
20 conversation around how we gather our thoughts and plans
21 for how we're going to approach a specific product.

22 It's not meant to -- you know, if your question
23 is whether we're -- why we're not engaging the external
24 public at that point, it's not a question of whether
25 we're going to engage the public; it's a question of

1 what would we engage the public about because we
2 don't -- we don't know yet. We're still conversing.
3 It's pre-ideation.

4 Q. Okay. So that -- so next box, ideation is
5 where -- that's when your -- initially your first
6 customer engagement occurs; correct?

7 A. Yes. We do some customer engagement as part of
8 ideation and, essentially, brainstorming and
9 understanding how -- how and what a product could entail
10 and look like.

11 Q. Does the customer engagement you do at that
12 time, is that with your advisory group participants?
13 Your equity -- Equity Advisory Group-named communities
14 or is it -- is it different kinds of focus groups or
15 what -- what does it look like, that customer --

16 A. It really can -- it can involve any of those
17 things at that point in the process. There are industry
18 stakeholders we talk to to get best practices from other
19 utilities who have, maybe, launched a product similar to
20 what we have before that.

21 A good example of that is community solar. We
22 did a lot of work understanding various community solar
23 products around the country before we started landing on
24 a design element for where we were at. But we do --
25 ideation can involve quick conversations to customers,

1 you know, as well as more elaborate one-off
2 conversations with various stakeholders.

3 Q. So -- so it may or may not include involvement
4 with named communities, et cetera.

5 In fact, as I'm looking at the chart, those --
6 those groups are not included, at least, you know, by
7 name in the chart that --

8 A. I think it's important to point out,
9 Commissioner, that the engagement with named communities
10 is a relatively new piece of the product development
11 process.

12 And so this process was developed -- I mean,
13 while we simply put it into place in 2019, we spent two
14 and a half previous years working on refining --
15 building and refining this process. It's pre-CETA. So
16 a lot of the elements on the chart you're seeing here
17 have not been adopted since the development and adoption
18 of CETA.

19 So when would we appropriately engage with named
20 communities?

21 I would say that the current practice we have
22 right now really, sort of, occurs in the space of the
23 ideation and the design phase of a particular product or
24 a set of products and concepts, similar to what we are
25 doing right now through the work with our consultant to

1 engage those named communities and customers through
2 surveys, focus groups, one-off conversations with
3 individuals. We compensate people for participating in
4 those things, that all happens in the midst of that
5 ideation design phase.

6 Q. Okay. So just to be clear, again, for the
7 record, then, those -- it's a function of this being
8 sort of in -- an out-of-date chart is the reason we're
9 not seeing the community groups involved in discussion
10 at the ideation stage; is that -- is that correct, then?

11 A. Well, you would see -- and I guess I would say
12 the words "named communities" are not on this chart.

13 But as you would see at the top of the call
14 under "design," it says "customer outreach and testing."

15 That is the space in which, you know, it's sort
16 of formally listed and called out. But that's trying to
17 pinpoint something on a specific chart. It really
18 happens throughout that process.

19 Q. So CRAG, Low Income Advisory Group, Equity
20 Advisory Group, that's where those groups would be --
21 have access to the process?

22 A. If we were -- for -- in the case of DERs, if we
23 were to get into an ongoing conversation with the
24 Conservation Resource Advisory Group, I would say
25 that -- similar to the way in which the -- the company

1 engages with that group around energy efficiency
2 products, it becomes, sort of, an ongoing cycle of
3 dialog with those advisory groups.

4 And so a new product, in theory, would be
5 engaging with those advisory groups during those phases.

6 But in the case of our transportation
7 electrification work, you know, as we move from design
8 and into development is when we really do sit down with
9 individuals from each of the interested parties involved
10 in this case, et cetera, to present the tariffs.

11 We meet with the Transportation Electrification
12 Advisory Group that all three utilities share in common,
13 as suggested by the Commission. We meet with them and
14 we provide those tariffs to those entities 60 days
15 before we file.

16 So there's a whole formal dialogue process as
17 we're wrapping up the design phase, moving into the
18 development phase, and then the final submittal to the
19 Commission.

20 COMMISSIONER DOUMIT: Thank you, Your Honor,
21 I have nothing further.

22 JUDGE HOWARD: All right. Thank you.

23 Any further questions from the bench for
24 this witness?

25 COMMISSIONER RENDAHL: No, Your Honor.

1 CHAIR DANNER: No, Your Honor.

2 JUDGE HOWARD: All right. Thank you.

3 Our next witness would be Austin Phillips.

4 And NWEA and Front and Centered have

5 initially indicated that they may need to cross Austin

6 Phillips. And that is not the case now, as I

7 understand?

8 MS. TACK-HOOPER: That's correct, Your

9 Honor.

10 JUDGE HOWARD: All right. Do we have any

11 questions from the bench for Austin Phillips?

12 All right. Hearing none, feel free to

13 correct me if I'm jumping ahead too quickly.

14 COMMISSIONER RENDAHL: Your Honor, does

15 Staff have questions for Witness Phillips or have they

16 waived cross?

17 JUDGE HOWARD: Staff has waived cross for

18 Austin Phillips, I believe.

19 Mr. Callaghan, is that right?

20 MR. CALLAGHAN: That's correct, Your Honor.

21 JUDGE HOWARD: All right. Thank you.

22 COMMISSIONER RENDAHL: Your Honor, I may

23 have a question or two for -- for Phillips.

24 JUDGE HOWARD: All right. Could -- could

25 Mr. Phillips turn on his video feed and -- and prepare.

1 THE WITNESS: Yes. Just one moment, please.

2 Thank you.

3 JUDGE HOWARD: Certainly.

4 THE WITNESS: Good afternoon.

5 JUDGE HOWARD: All right. Good afternoon,

6 Mr. Phillips.

7 Could you please raise your right hand? And

8 I will swear you in.

9 And you may need to unmute yourself so we
10 can hear you affirm in response.

11 Do you swear or affirm that the testimony
12 you will give today is the truth, the whole truth, and
13 nothing but the truth?

14 THE WITNESS: I do.

15 JUDGE HOWARD: All right. Thank you.

16 Ms. Barnett, could you please introduce the
17 witness?

18 MS. BARNETT: Yes. Thank you.

19 AUSTIN PHILLIPS, witness herein, having been first
20 duly sworn on oath, was examined
21 and testified as follows:

22 DIRECT EXAMINATION

23 BY MS. BARNETT:

24 Q. Dr. Phillips, could you please state your name
25 and spell your name for the record?

1 A. Yes, my name is Austin Phillips. My last name
2 is spelled P-h-i-l-l-i-p-s.

3 Q. What is your role at Puget?

4 A. I manage the Strategic Customer Insights Team.

5 Q. Thank you.

6 MS. BARNETT: With that, PSE tenders
7 Dr. Phillips for questions.

8 JUDGE HOWARD: All right. Thank you.

9 And apologies for missing your title in
10 my -- my initial introduction to you, Dr. Phillips.

11 THE WITNESS: That's all right.

12 JUDGE HOWARD: Are there any questions from
13 the bench for Dr. Phillips?

14 COMMISSIONER RENDAHL: Yes, Your Honor. I
15 just have a few.

16 EXAMINATION

17 BY COMMISSIONER RENDAHL:

18 Q. Good afternoon, Mr. Phillips.

19 A. Good afternoon, Commissioner.

20 Q. So do you have your rebuttal testimony, AJP-1T,
21 in front of you?

22 A. Not currently, but let me take one moment to get
23 that ready.

24 Q. Okay. So, yes, if you get your rebuttal
25 testimony, then we can get ready to roll.

1 A. Okay. I have it in front of me now.

2 Q. Okay. If you would turn to page 17, please.

3 A. I'm there.

4 Q. Okay. And on page 17, lines 18 to 19, you
5 state: PSE is open to guidance on incorporating a
6 well-rounded set of vulnerability factors that account
7 for multiple dimensions of risk.

8 Do you see that?

9 A. Yes, I do.

10 Q. Has company been thinking about what it
11 envisions as a well-rounded set of vulnerability factors
12 beyond what it's put together so far?

13 A. PSE does feel that the set of vulnerability
14 factors we identified encapsulates a variety of
15 different types of vulnerabilities.

16 So when I wrote that, my intention was to state
17 that while we do feel confident that what we factored
18 into our assessments captures a variety of different
19 dimensions, we're open to further guidance from the
20 Equity Advisory Group, from other interested parties and
21 stakeholders on refining that set of factors over time.

22 Q. Okay. And then if you could look at your
23 testimony on page 24, at lines 11 to 22.

24 A. Okay. I'm there.

25 Q. Okay. You -- I believe it's at this point -- at

1 some point in your testimony, it might be here, you talk
2 about... oh, it's line 19 through 22.

3 You discuss the company's capable of
4 re-expanding the data on vulnerability to make strategic
5 decisions.

6 Do you see that?

7 A. I do.

8 Q. Okay. So what does that mean? How -- can you
9 describe what that means to re-expand the data to make
10 strategic decisions?

11 A. I might need to -- to make that clarification.
12 I understand it's somewhat of a vague sentence.

13 What I meant by that, when I wrote it, is that
14 we compressed the set of total vulnerability factors by
15 each census block group into a single total
16 vulnerability score in order to be able to assess which
17 communities faced a higher or a lower cumulative impact
18 from those factors. So that allows us a way of triaging
19 and prioritizing areas of higher vulnerability.

20 But the second half to that is that -- and this
21 is what it speaks to in the testimony -- when we're
22 seeking to take a particular action or decide on a plan
23 within a particular community, we may be interested in
24 knowing which particular vulnerability factors were most
25 prominent in that community and lead to a higher

1 vulnerability score.

2 And at that point, we're able to look for a
3 particular community, not just at the singular value of
4 its total vulnerability score, but to expand the whole
5 set of vulnerability factors that could have contributed
6 to its having a high score. And in virtue of that,
7 addressing those particular needs in the community,
8 whether those higher scoring factors were limited
9 English or high rate of unemployment, what have you, we
10 can tailor the response based on those specific factors.

11 Q. Okay. But you're still -- the company is still
12 planning at this point to prioritize the initial focus
13 on those census tracts with the highest cumulative
14 vulnerability factors, correct, not making a decision
15 based on the re-expanded list of all the census tracts;
16 correct?

17 A. You're correct that the total vulnerability
18 score will be a primary tool in determining which
19 communities or which census block groups make most sense
20 to consider for projects, programs, and engagement in
21 virtue of having a higher cumulative effect of
22 vulnerability.

23 So -- so, yes, we -- I do want to clarify,
24 though, that we will not make those decisions on
25 locations or which communities to include, only based on

1 census block groups that have a high vulnerability
2 score.

3 We still consider all of our communities as
4 potential for action and as opportunities to increase
5 equity, but the continuous value or the spectrum where a
6 particular community sits is -- is one factor that we'll
7 consider.

8 Q. Okay. So if we could look at the next page of
9 your testimony, page 25. The last page, actually, and
10 at lines 6 to 14, you refer to the company constructing
11 several internal dashboards and performing analysis
12 related to equity.

13 Do you see that?

14 A. I do.

15 Q. Okay. So can you describe whether and how
16 this -- these new dashboards are helping the managers
17 consider data?

18 What are these dashboards doing differently than
19 the work that you already described about the different
20 assigning values and then combining them into
21 cumulative?

22 How are these dashboards doing something
23 different or supporting that?

24 A. That's an excellent question. And I'm happy to
25 report that one way we're using the information we glean

1 from our vulnerability assessment and combining it with
2 program data and PSE is in looking at particular
3 programs and types of programs, including energy
4 efficiency, renewable energy programs, and others.

5 And what this enables us to do through the
6 dashboards is to look at the heterogeneity in
7 vulnerability score over our service area and understand
8 whether census block groups or communities that we have
9 designated as higher vulnerability have historically
10 seen less enrollment or less engagement in those
11 particular programs over time or at the present.

12 And so that's already enabling managers and
13 program administrators to look at specific communities
14 where there is an indication of higher level of
15 vulnerability, and at the same time, there is a
16 lower-than-expected level in enrollment in particular
17 programs.

18 And that indicates that there's a quantitative,
19 quantifiable opportunity to increase equity in that
20 particular community. That information can then be
21 conveyed to folks who interact with the community and
22 try to increase enrollment, again, based on an expansive
23 look at the particular barriers that might be at play
24 and may have contributed to the inequity previous.

25 Q. Okay. Have you -- has the company reviewed this

1 dashboard or shared it with its equity advisory
2 committee yet?

3 A. We've had many internal conversations about the
4 dashboards and other tools. To my understanding and my
5 best knowledge, we haven't shared these tools with the
6 Equity Advisory Group at this time.

7 Q. Okay. Do you know if it's the company's plan to
8 do so?

9 A. To my best knowledge, it is.

10 Q. Okay. One last question.

11 Have you done --

12 CHAIR DANNER: Commissioner? Commissioner,
13 can I just follow-up?

14 EXAMINATION

15 BY CHAIR DANNER:

16 Q. And, Mr. Phillips, when would that be? When
17 would you engage them on this?

18 A. I would have to consult with those who are
19 planning conversations with the Equity Advisory Group.
20 I would frame it as -- as soon as possible.

21 We did want to have the opportunity to go
22 through this hearing process to understand whether
23 there's any feedback from the Commission or other
24 parties on elements that we may need to change in terms
25 of our vulnerable population methodology before

1 circulating it too widely with community members as to
2 what the results of that analysis have shown.

3 Q. Okay. So they haven't seen it yet. And right
4 now, there's no schedule for getting it in front of
5 them?

6 A. They have not seen it and I cannot say one way
7 or the other whether there's a specific schedule, as
8 that's not the team in the set of relationship that I
9 particularly manage.

10 CHAIR DANNER: All right. All right. Thank
11 you.

12 THE WITNESS: You're welcome.

13 CHAIR DANNER: I'm sorry to interrupt,
14 Commissioner. Go ahead.

15 COMMISSIONER RENDAHL: No, not at all.

16 And I have one more question, but you may
17 have others after this.

18 EXAMINATION

19 BY COMMISSIONER RENDAHL:

20 Q. So, Mr. Phillips, have you -- in the process of
21 preparing for this hearing, have you reviewed the
22 testimony and exhibits of staff witness Jennifer Snyder?

23 A. Yes, I have.

24 Q. Okay. So, then, are you familiar with the
25 equity -- the Energy Equity Project report that's

1 included as Exhibit JES-4 to Jennifer Snyder's
2 testimony?

3 A. I'd like to pull up that document so that I can
4 have it for reference. If you will give me --

5 Q. Sure.

6 A. All right. I'm there. Thank you.

7 Q. Okay. Great. Are you familiar with this
8 document? Have you seen it before?

9 A. Could you cite a particular page number?

10 Are you referring to a -- a set of testimony in
11 particular?

12 I just want to make sure I'm understanding the
13 correct document.

14 Q. Do you have a copy of Exhibit -- do you have a
15 copy of the Energy Equity Project report that was
16 Exhibit JES-4 to Jennifer Snyder's testimony?

17 Do you have that in front of you?

18 A. Yes, I do have Exhibit JES-4 in front of me.

19 Q. Okay. Did you review that as a part of your
20 review for the hearing?

21 A. I did not personally review this document.

22 Q. Okay. And you haven't reviewed it before in
23 your work in developing the various metrics or methods
24 for measuring vulnerable communities?

25 A. To my best knowledge, that is correct.

1 Q. Okay. Thank you.

2 COMMISSIONER RENDAHL: Your Honor, I have no
3 further questions.

4 JUDGE HOWARD: Any further questions from
5 the bench for Dr. Phillips?

6 COMMISSIONER DOUMIT: No, Your Honor.

7 CHAIR DANNER: No, Your Honor.

8 JUDGE HOWARD: All right. I would like to
9 thank Dr. Phillips for his testimony today. He's
10 excused.

11 We did have a request in the chat for a
12 short break following this witness.

13 So let's go ahead and take a ten-minute
14 break, if that's agreeable to the Commissioners.

15 Let's return at 2:35.

16 COMMISSIONER RENDAHL: Thank you.

17 JUDGE HOWARD: And we are off the record.

18 (A break was taken from

19 2:25 p.m. to 2:37 p.m.)

20 JUDGE HOWARD: I'm just going to confirm --
21 ask one more time for Staff Witness Synder.

22 Can you hear me? Can I hear you? Do we
23 need a little more time?

24 THE WITNESS: I can hear you.

25 Can you hear me yet?

1 THE COURT: Yes.

2 THE WITNESS: Okay. Yay.

3 JUDGE HOWARD: All right.

4 So we have -- at this point in the hearing,
5 we have completed the witnesses from PSE.

6 We're going to be turning to the non-company
7 witnesses. And no party has indicated cross for any of
8 the non-company witnesses. But we are going to be going
9 through and seeing if there are any bench questions
10 for -- for these witnesses. We're going to start with
11 Staff.

12 As I understand, there are questions from
13 the bench for Staff witness, Jennifer Snyder.

14 Could you please raise your right hand? And
15 I'll swear you in.

16 Do you swear or affirm the testimony you
17 will give today is the truth, the whole truth, and
18 nothing but the truth?

19 THE WITNESS: I do.

20 JUDGE HOWARD: All right. Thank you.

21 Mr. Callaghan, could you introduce the
22 witness?

23 MR. CALLAGHAN: Yes. Thank you, Your Honor?

24 ///

25 ///

1 JENNIFER SNYDER, witness herein, having been first
2 duly sworn on oath, was examined
3 and testified as follows:
4

5 DIRECT EXAMINATION

6 BY MR. CALLAGHAN:

7 Q. Ms. Snyder, could you state your name and spell
8 your last name for the record?

9 A. Jennifer Snyder. S-n-y-d-e-r.

10 Q. And, Ms. Snyder, you submitted Exhibits JES-1T
11 through JES-6 in this record; is that correct?

12 A. That is correct.

13 MR. CALLAGHAN: Your Honor, Staff offers
14 Staff Witness Snyder for examination.

15 Thank you.

16 JUDGE HOWARD: Thank you.

17 Are there any questions from the bench for
18 Snyder?

19 CHAIR DANNER: Yes. Thank you.

20 EXAMINATION

21 BY CHAIR DANNER:

22 Q. Good afternoon, Jennifer Snyder. I have a
23 clarifying question for you. This regards your
24 testimony at JES-1T at page 45 and 46. And it has to do
25 with the recommendation that the Commission approve

1 PSE's CEIP with a condition that a license is obtained
2 for Staff to use the Aurora and PLEXOS models within
3 60 days of our final order.

4 Does Staff have license for either one of
5 these -- either Aurora or the PLEXOS software currently?

6 A. So, currently, my understanding is that Staff
7 has a license for the Aurora model. It is an intervener
8 license and it is only good for one year. This is
9 normally how we -- we get licenses to these models.
10 They come and go. And so we're -- we're constantly
11 having to reinstall/retrain. And what we're looking for
12 is continuous access.

13 Q. Okay. We currently -- the Commission does not
14 have a -- a license for the PLEXOS model?

15 A. Not that I am aware of.

16 Q. Okay. Are you requesting -- is staff requesting
17 that the company obtain and cover the costs of the
18 license or is it for the Commission to cover the cost of
19 license?

20 A. Staff is requesting that the -- the company
21 cover the cost of the license.

22 Q. Okay. That is my -- those are my only
23 questions. Thank you very much.

24 JUDGE HOWARD: All right. Thank you.

25 Any further questions?

1 COMMISSIONER RENDAHL: No. Thank you, Your
2 Honor.

3 COMMISSIONER DOUMIT: No, Your Honor.

4 JUDGE HOWARD: All right. Jennifer Snyder,
5 thank you for your testimony today.

6 The next Staff witness would be Joel
7 Nightingale.

8 Are there any questions from the bench for
9 Joel Nightingale?

10 COMMISSIONER RENDAHL: No, Your Honor.

11 COMMISSIONER DOUMIT: I have no questions.
12 Thank you, Your Honor.

13 CHAIR DANNER: No questions.

14 JUDGE HOWARD: All right. Hearing none.

15 And then we have the Public Counsel
16 witnesses: Corey Dahl and Aaron Tam.

17 Are there any questions from the bench for
18 either of these witnesses?

19 COMMISSIONER RENDAHL: Your Honor, I have a
20 clarifying question for Witness Tam, but also NWEA and
21 Front and Centered Witness McCloy on a subject that both
22 of them address. And so I don't know the best way to
23 handle this. We could take up Witness Tam first and
24 then Witness McCloy. But I just want to highlight
25 that -- that issue.

1 JUDGE HOWARD: Certainly, I -- I would --
2 perhaps we will call Aaron Tam first and then we will
3 turn to NWECC witnesses after that, if that works for
4 you.

5 Is -- Aaron Tam, are you able to hear and
6 see me all right?

7 THE WITNESS: Yes. Can you hear me?

8 JUDGE HOWARD: Yes. Would you please raise
9 your right hand? And I'll swear you in.

10 Do you swear or affirm that the testimony
11 you will give today is the truth, the whole truth, and
12 nothing but the truth?

13 THE WITNESS: I do.

14 JUDGE HOWARD: All right. Thank you.

15 Ms. Suetake, could you please introduce the
16 witness.

17 MS. SUETAKE: Yes. Thank you.

18

19 AARON TAM, witness herein, having been first
20 duly sworn on oath, was examined
21 and testified as follows:

22

23 DIRECT EXAMINATION

24 BY MS. SUETAKE:

25 Q. Could you please state and spell your name for

1 the court reporter?

2 A. My first name is Aaron, A-a-r-o-n. Last name
3 Tam, T-a-m.

4 Q. And on whose behalf are you appearing today?

5 A. The Public Counsel Unit of the Attorney
6 General's Office.

7 Q. And did you file testimony -- or jointly
8 file testimony in Exhibits CDAT-1 through 5 on behalf of
9 Public Counsel?

10 A. Yes.

11 MS. SUETAKE: Your Honor, the witness is
12 available for cross-examination.

13 JUDGE HOWARD: All right.

14 Commissioner Rendahl, please proceed.

15 EXAMINATION

16 BY COMMISSIONER RENDAHL:

17 Q. Thank you. Good afternoon.

18 On the -- I just want to confirm that as a part
19 of the joint testimony, you were sponsoring testimony on
20 the customer benefit indicators; correct?

21 A. Correct.

22 Q. Okay. So in reference to the -- that responsive
23 testimony, CDAT-1T, do you have a copy of that in front
24 of you?

25 A. Yes.

1 Q. Okay. And if you could turn to what is
2 identified as page 36 of 40, I believe. I'm sorry -- 33
3 of 40.

4 A. Okay.

5 Q. I believe this is -- going to line 21. No. I
6 have the wrong -- I have too many page numbers
7 referenced here. I think this is the problem. Well, I
8 don't have the page number but maybe you will remember.

9 In your testimony you mention at one point that
10 you have concerns with the -- oh, here it is. It is on
11 page 33 of 40 on line 9, starting on line 9.

12 Do you see that?

13 A. Mm-hmm.

14 Q. You mentioned that -- starting on line 11 that
15 Public Counsel believes that the metrics used in the
16 2021 CEIP should similarly not indicate any
17 directionality or desired target; correct?

18 A. Yes.

19 Q. Okay. Now, are you aware of testimony by Lauren
20 McCloy for NWEA and Front and Centered in which she
21 indicates that directionality should be added?

22 Are you familiar with that?

23 A. I've reviewed her testimony, yes.

24 Q. Okay. So can you explain, is there a difference
25 in what you are both recommending and why -- can you

1 explain why you think directionality should be omitted
2 and -- I will ask her why she thinks it should be
3 included.

4 A. Right. Let me just refresh my memory a bit on
5 this point.

6 Q. And if you would like, I can give you a
7 reference to her testimony as well.

8 A. Okay.

9 Q. Let me know if you would like me to give you
10 that.

11 A. So Public Counsel here recommends that the
12 metrics themselves do not indicate a directionality or
13 desired target.

14 Here we just want to make sure there's
15 consistency between how metrics are defined in this
16 docket as well as the alternative rate-making docket
17 that I referred to.

18 I don't -- I don't believe that we -- Public
19 Counsel and the Northwest Energy Coalition have strong
20 conflict in our views. We believe that we -- we just --
21 we are fine with directionality being in the goals. And
22 so we -- we just try and add a little more clarification
23 in terms of how we would like that distinguished.

24 But we're not opposed to Puget Sound Energy
25 establishing goals or having directionality. We just

1 try and delineate it more clearly and consistently with
2 the alternative rate-making docket.

3 Q. Okay. So in looking at the -- the
4 recommendation that's in the bulleted point on line 16
5 through 21 of page 33. So you would like PSE to remove
6 the directionality from the language of the metric, but
7 separately identify it for each metric?

8 So keep the directionality language out of the
9 metric language but identify some kind of a target that
10 is directional, related to the metric?

11 A. Correct.

12 COMMISSIONER RENDAHL: Okay. All right. I
13 think that helps me understand Public Counsel's position
14 on this point.

15 So thank you. I don't have any other
16 questions for Witness Tam.

17 But I think it would be helpful to have some
18 questions about this with Witness McCloy.

19 So thank you.

20 JUDGE HOWARD: Any further questions for
21 Witness Tam?

22 COMMISSIONER DOUMIT: No, Your Honor.

23 JUDGE HOWARD: All right. Hearing none, we
24 will turn to NWECC and Front and Centered witness, Lauren
25 McCloy, here shortly.

1 I just wanted to proceed down the order of
2 presentation and note that The Energy Project witness,
3 Lorena Shah has been excused.

4 We also have AWEC's witness, Lance Kaufman.

5 Are there any questions from the bench for
6 Lance Kaufman?

7 COMMISSIONER DOUMIT: No, Your Honor.

8 JUDGE HOWARD: All right. Hearing none.

9 We then have the five witnesses -- I'm
10 sorry?

11 COMMISSIONER RENDAHL: No. Nothing.

12 THE COURT: All right. That we then have
13 the five witnesses from NWEAC and Front and Centered.
14 These include Elaine Hart, Mariel Thuraisingham, Lauren
15 McCloy, Roger Colton, and Scott Reeves.

16 Because Commissioner Rendahl has already
17 indicated she has a question for Lauren McCloy, I would
18 ask McCloy to turn on her video feed, and I'll swear you
19 in.

20 Could you please raise your right hand?

21 Well, first of all, can you hear and see me
22 all right?

23 THE WITNESS: Yes.

24 JUDGE HOWARD: All right. Great.

25 Do you swear or affirm that the testimony

1 you will give today is the truth, the whole truth, and
2 nothing but the truth?

3 THE WITNESS: Yes, I do.

4 JUDGE HOWARD: All right. Thank you.

5 Ms. Goodin, could you please introduce the
6 witness?

7 MS. GOODIN: Yes.

8

9 LAUREN MCCLOY, witness herein, having been first
10 duly sworn on oath, was examined
11 and testified as follows:

12

13 DIRECT EXAMINATION

14 BY MS. GOODIN:

15 Q. Ms. McCloy, could you please state and spell
16 your name for the record?

17 A. Lauren McCloy. L-a-u-r-e-n. M-c-C-l-o-y.

18 Q. Thank you.

19 And you have submitted pre-filed testimony in
20 this docket; correct?

21 A. Correct.

22 MS. GOODIN: Your Honor, I offer the witness
23 for questioning.

24 JUDGE HOWARD: All right. Thank you.

25 Commissioner Randall, please go ahead.

1 EXAMINATION

2 BY COMMISSIONER RENDAHL:

3 Q. Good afternoon, Lauren McCloy. It's good to see
4 you.

5 A. You too.

6 Q. And I just have a brief question following along
7 a question I asked of witness Tam for Public Counsel.

8 And do you have your -- your response testimony
9 in front of you?

10 A. I do.

11 Q. Okay. If you would turn to what is identified
12 as page 17 of 55.

13 A. All right. I'm there.

14 Q. Okay. Starting at line 20 and then ending on
15 page 18 of 55 at line 2, you state that "adding the
16 metrics agreed to in the revenue requirement settlements
17 in the recent PSE rate case would help fill the gaps
18 with customer benefit indicators or (CBIs) in PSE's
19 CEIP, but that directionality should be added."

20 Is that a correct summary of that portion of
21 your testimony?

22 A. Yes. This is specific to the recommendation on
23 adding the CBIs from the settlement stipulation in the
24 general rate case.

25 Q. Okay. And you heard the questions I had for

1 Witness Tam?

2 A. Yes.

3 Q. Okay. And so, I guess, my question to you is,
4 is there any difference of understanding or -- or
5 recommendation between Public Counsel and Northwest
6 Energy Coalition and Front and Centered on
7 directionality and how the Commission should consider
8 that in the recommendations between the two parties?

9 A. I don't think there is. I agree with Witness
10 Tam's statement that there isn't necessarily a conflict
11 between our testimony.

12 I think the intent is the same regardless of
13 whether the directionality is in the metric itself or in
14 an associated target or goal. I think we -- the outcome
15 would be the same.

16 So -- so we would, you know, I think, support a
17 recommendation or support a -- sort of tweak to our
18 recommendation that when we talk about directionality,
19 we're fine if that directionality is in sort of a
20 separate target associated with the metric and the
21 metric itself is just a clean metric for reporting
22 purposes.

23 COMMISSIONER RENDAHL: Thank you. That's
24 really helpful. I appreciate it.

25 That's the only question I have for Witness

1 McCloy, but there may be others.

2 CHAIR DANNER: Yes, Your Honor. I have a
3 question as well.

4 JUDGE HOWARD: Please go ahead.

5 CHAIR DANNER: All right.

6 EXAMINATION

7 BY CHAIR DANNER:

8 Q. Good afternoon, Lauren McCloy.

9 A. Good afternoon.

10 Q. I have a question, basically, dealing with
11 customer benefit indicators.

12 In Kara Durbin's testimony in Exhibit 60 at
13 page 21, she discusses the customer benefit indicators
14 and says that it's not practical or it's practically
15 infeasible for Puget to track certain data inside
16 customers' homes because that information can greatly --
17 or could vary greatly due to a number of associations,
18 such as home insulation, airflow, number of open
19 windows, and further regarding extreme heat impacts, it
20 is not clear to Puget whether data correlating illness,
21 hospitalization, or death attributes to extreme heat
22 events is even publically available or can be tracked.

23 And she raises some other concerns.

24 How does -- how does NVEC or Front and Centered
25 respond to the PSE witness' -- Durbin's concern that

1 some of the CBIs proposed by the parties require
2 customer data that's just not feasible to obtain or is
3 not publically available?

4 A. So I will take my best crack at that.

5 I do believe that this portion of Ms. Durbin's
6 testimony was addressing the testimony of Roger Colton,
7 who is also here today and might be able to answer this
8 with more specificity.

9 I -- I would say that the metrics that we have
10 proposed are very focused on using data that -- that we
11 believe the company has access to right now.

12 So the -- the CBIs that we -- the additional
13 CBIs and additional metrics that we proposed, we do
14 believe that the company has the data that it needs in
15 order to put these metrics forward.

16 And in the case of this example, which I believe
17 is about indoor air quality, I would probably need to
18 defer to our expert witness, Mr. Colton, on that.

19 Q. Okay. But, as a general matter, you believe
20 that your metrics are focused on information that is
21 readily available, either collected by the company or
22 publically available?

23 A. Or publically available, yes.

24 COMMISSIONER DOUMIT: Thank you.

25 That's all the questions I have for you.

1 JUDGE HOWARD: Any further questions for
2 Lauren McCloy?

3 CHAIR DANNER: No, Your Honor.

4 JUDGE HOWARD: All right. Thank you.
5 Thank you for your testimony, Lauren McCloy.
6 I am also informed there may be questions
7 for Roger Colton.

8 Could -- Mr. Colton, could you please turn
9 on your video feed?

10 Thank you.

11 Can you hear and see me all right?

12 THE WITNESS: I can.

13 JUDGE HOWARD: Great. Can you please raise
14 your right hand? And I will swear you in.

15 Do you swear or affirm that the testimony
16 you will give today is the truth, the whole truth, and
17 nothing but the truth?

18 THE WITNESS: I do.

19 JUDGE HOWARD: Thank you.

20 Could you please introduce the witness?

21 MS. GOODIN: Certainly, Your Honor.

22

23 ROGER COLTON, witness herein, having been first
24 duly sworn on oath, was examined
25 and testified as follows:

1 DIRECT EXAMINATION

2 BY MS. GOODIN:

3 Q. Mr. Colton, could you spell your name for the
4 court reporter, please?

5 A. My name is Roger, R-o-g-e-r, Colton,
6 C-o-l-t-o-n.

7 Q. And could you describe your role in this
8 proceeding?

9 A. I am a witness for Front and Centered and for
10 the Northwest Energy Coalition.

11 MS. BARNETT: I present Mr. Colton for
12 questioning.

13 JUDGE HOWARD: Do we have any bench
14 questions for Mr. Colton?

15 CHAIR DANNER: Yes, I'll start.

16 EXAMINATION

17 BY CHAIR DANNER:

18 Q. Mr. Colton, you heard my question to Lauren
19 McCloy which she referred to you.

20 I wondered if you wanted to comment on the
21 metrics and the -- whether you see those metrics as
22 requiring something other than publically available
23 information.

24 A. Well, there -- let me address the two metrics
25 separately starting with the -- the heat information.

1 There are a variety of publically available
2 datasets that would allow someone, including PSE to
3 track heat and heat health statistics. There is the
4 National Center for Health Statistics which has, through
5 the CDC -- the Centers for Disease Control -- has what
6 it calls its "Heat and Health Tracker System" and the
7 "National Syndrome Surveillance System," so that is
8 publically available information.

9 But more than that, there are two different
10 entities that are interested in climate change, health,
11 and equity.

12 There is the National Association of Public
13 Health Officials. They have what's called their
14 public -- their Climate Change, Health, and Equity
15 Project. And the National Association of Public Health
16 Officials has published a guide, if you will, 400 --
17 400 pages, 390 pages, that it calls its "Climate Health
18 and Equity Vulnerability Assessment."

19 In addition, the Center for Disease Control has
20 its Climate Change, Health, and Equity Project. And it,
21 too, has published a guide on how to track health
22 statistics. How to track heat statistics.

23 And that is publically available. The Center
24 for Disease Control has its National Integrated Heat
25 Health Information System. All of those databases are

1 publically available, including available to someone
2 like -- or an entity such as PSE.

3 The second question is -- has to do with indoor
4 air quality, I believe.

5 Indoor air quality is closely related to housing
6 quality. And tracking indoor air quality really
7 isn't -- and tracking housing quality really isn't --
8 isn't a new concept. There are four jurisdictions that
9 receive federal funds. Those jurisdictions prepare what
10 are called "Consolidated Plans" and update those
11 consolidated plans periodically. And they also prepare
12 what are called "Analysis of Impediments to Fair
13 Housing."

14 And the indoor air quality and the housing
15 quality really through -- whether through the CHAS
16 database, HUD's comprehensive housing affordability
17 strategy database or through HUD's American Housing
18 Survey, tracks information that can be viewed on a
19 geographic basis, not on an individual household basis,
20 but on a geographic basis down to the census tract
21 basis. They divide it -- well, I divide it. They have
22 a whole list of -- of metrics which they -- they track.

23 But I would divide it into three or four
24 different types. They will track the quality of systems
25 in a house, including the quality of the HVAC system.

1 They track the availability of heating. They track the
2 availability of cooling. They track the physical
3 quality of the house.

4 So I believe that the PSE rebuttal testimony,
5 responsive testimony is simply in error. There -- there
6 is ample opportunity -- if they were to talk to the
7 correct people to find that information.

8 Q. Okay. So I just want to be specific here. In
9 the -- in -- in Kara Durbin's testimony, it says,
10 "Additionally, Mr. Colton appears to underestimate
11 significant limitations inherent in tracking and
12 measuring certain metrics."

13 For example, you insist that PSE add certain
14 metrics that track indoor residential data.

15 Are you asking for metrics that track
16 residential indoor data?

17 A. I am asking for metric -- or asking -- I'm
18 recommending that metrics on indoor data be -- be
19 tracked. I'm not recommending or not suggesting that it
20 be done on a household-by-household basis. It can be
21 done on a population basis. And it not only can be
22 done, it's routinely done by other entities.

23 Q. Okay. Second part of what she says is even if
24 he -- meaning you -- even if you were to point to a
25 readily available and verifiable source of data, it is

1 not clear how PSE would use that data in its CEIP.

2 Have you had any ideas about how Puget Sound
3 Energy would use that data in its CEIP?

4 A. Sure. Let's consider the overlap of different
5 metrics. Let's consider indoor air quality and let's
6 consider the health impacts. Some of the health impacts
7 that are routinely tracked include respiratory problems,
8 asthma, both triggering asthma and the incidents of
9 asthma, the uses of healthcare facilities for asthma;
10 all of that data is routinely tracked and it is tracked
11 based on different population attributes.

12 You compare that to indoor air quality, which
13 would include heat and you would compare that to housing
14 quality which would include the availability of cooling.
15 And you combine that with energy burdens and you might
16 very well find that one of your vulnerable populations
17 are elderly people who have respiratory issues who lack
18 air conditioning and who have high energy burdens that
19 would impede their ability to use their air-conditioning
20 even if they had their air-conditioning.

21 So the vulnerable population would be that group
22 of people -- it would be population based. And it
23 wouldn't make any difference whether that population --
24 where that population is -- but the vulnerable
25 population would be the combination of indoor air

1 quality, housing quality, energy burdens, and perhaps
2 age.

3 And PSE doesn't -- or hasn't created the metrics
4 that would allow that population to be defined and
5 identified.

6 Q. It looks to me like one of the concerns they had
7 was they didn't want to be gathering data that would be
8 viewed as intrusive. But it sounds like there is
9 readily available sources that would not be intrusive.

10 A. Yes. And I think the misunderstanding was -- or
11 the portrayal by PSE was that information would need to
12 be done on an -- for an individual.

13 So they would need to know Roger Colton and what
14 the indoor air quality is in Roger Colton's home and
15 what the housing quality Roger Colton's home is. And
16 what my testimony talked about was -- was the need to
17 have it be population-based rather than geographic
18 based.

19 So rather than knowing my individual home, they
20 simply need to know that -- not that I'm going to
21 confess to being elderly here, but they would need to
22 know that there are older folks who have respiratory
23 issues who have high energy burdens.

24 And you have a vulnerable population without
25 needing to know any intrusive information about

1 individual customers.

2 Q. Okay. And it tracks geographically? It has
3 the -- it is -- it is not too general to be useful?

4 A. Most of the information that I've talked about
5 is tracked to the census tract basis. It is not tracked
6 to the census block group basis, which is a smaller
7 geographic area than the census tract.

8 But I've never worked with anybody in either the
9 housing industry or the utility industry, if you will,
10 electricity and natural gas industries that they have
11 said that information isn't useful unless it's obtained
12 at the census block group basis.

13 And if you're identifying a vulnerable
14 population, you want to know the population attributes.
15 Whether or not you know precisely what the geography of
16 those populations are.

17 CHAIR DANNER: All right. Thank you very
18 much. Those are all of my questions, Your Honor. I --
19 I think my colleagues may have more.

20 JUDGE HOWARD: Any further questions for
21 Mr. Colton?

22 COMMISSIONER DOUMIT: Yes, Your Honor. I
23 have a question. I think this is for Mr. Colton.

24 EXAMINATION

25 BY COMMISSIONER DOUMIT:

1 Q. And if you decide on hearing it that maybe
2 another witness might be better, Mr. Colton, you can so
3 state. But I'm referring you to company witness
4 Archuleta's rebuttal testimony, which is GA-1T at
5 page 14, and I'm looking at lines 9 through 17, which I
6 can also read here.

7 A. If you could give me two seconds, I can --

8 Q. Yes. No. Sure thing.

9 A. Page 14 starting at line 9 with, "Yes. PSE has
10 considered"?

11 Q. That's right. "Considered significant synergies
12 if energy efficiency and demand response measures are
13 coordinated in some way with low income weatherization
14 programs, but that determining this specific energy
15 efficiency or demand reduction measures how they are
16 best coordinated with low income weatherization programs
17 are best addressed outside of this proceeding and the
18 development of the next biennial conservation plan."

19 I'm wondering how NWEAC and Front and Centered
20 respond to that.

21 What do you think of that plan?

22 A. Well, part of the response to that will need to
23 be argued in legal brief. But I can tell you my
24 response as a witness; and that is, that there is a
25 clear requirement that the CEIP identifies specific

1 actions that flow from the -- the identification of
2 disparities.

3 And there's also a clear requirement that those
4 specific actions be associated with -- and be explained
5 as to how they will reduce -- address and reduce the
6 disparities.

7 And as my testimony points out, the PSE CEIP
8 doesn't identify the specific actions in coordinating
9 with weatherization and -- is one of those specific
10 actions. And it certainly doesn't lay out the -- those
11 of us who do evaluations refer to as logic models. So
12 if you do this, then you accomplish that. That is
13 completely absent in the CEIP.

14 So saying that it -- having this testimony say
15 that it should be in another proceeding, simply to me is
16 saying that the requirements for -- with respect to
17 specific actions and the requirements that those
18 specific actions be intentionally and explicitly related
19 to the accomplishment of CEIP goals, they're writing
20 that out of the rules and they are writing that out of
21 the statute.

22 Q. And so the legal aside, really, there's no
23 practical reason why demand response and -- and low
24 income weatherization programs should not be
25 addressed at the same time?

1 A. That -- that's correct. My -- yes -- yes, I
2 agree with what you just said.

3 COMMISSIONER DOUMIT: Okay. Thank you.
4 Nothing further from me.

5 Thank you, Mr. Colton.

6 JUDGE HOWARD: Any further questions for
7 Mr. Colton?

8 COMMISSIONER RENDAHL: No, Your Honor.

9 CHAIR DANNER: No, Your Honor.

10 JUDGE HOWARD: All right. Thank you,
11 Mr. Colton, for your testimony today.

12 THE WITNESS: Thank you, Your Honor.

13 JUDGE HOWARD: The remaining witnesses from
14 NVEC and Front and Centered are Thuraisingham, Hart, and
15 Reeves.

16 Just to check one more time, do we have any
17 questions from the bench for those three witnesses? Any
18 of those three?

19 CHAIR DANNER: No, Your Honor.

20 COMMISSIONER DOUMIT: No, Your Honor.

21 COMMISSIONER RENDAHL: No, Your Honor.

22 THE COURT: All right. That concludes our
23 examination of witnesses at the hearing today. I have a
24 few details before we adjourn.

25 As Mr. Callaghan raised earlier today, we

1 have the issue of the public comment exhibit, and there
2 are a large number of comments in the docket.

3 And, earlier in December of last year, I
4 emailed Public Counsel and the other parties to discuss
5 preparation of this public comment exhibit. And it was
6 indicated that Public Counsel and -- and it appears now
7 Staff can collaborate, as I understand, in preparing
8 this exhibit might take longer than the normal seven
9 days, though. We also discussed whether the summary
10 should include comments submitted before the initiation
11 of this adjudication.

12 And because we have today admitted the
13 pre-filed testimony as filed without any objection to
14 it, incorporating earlier written comments on the
15 docket, I find it unnecessary for the summary of these
16 comments to include comments submitted before the
17 April 19th, 2022, notice of prehearing conference that
18 initiate this adjudication.

19 So, hopefully, that's helpful guidance for
20 Staff and Public Counsel in preparing that.

21 I then turn to Ms. Suetake and Mr. Callaghan
22 and ask how long it may take, reasonably, to prepare
23 this public comment exhibit?

24 MR. CALLAGHAN: Thank you, Your Honor.

25 Based on my conversations with Staff, they

1 are ready to -- they will be ready to send it to Public
2 Counsel within a few days. But I would leave it to
3 Ms. Suetake to say how long Public Counsel will need to
4 file it.

5 MS. SUETAKE: One point of clarification,
6 before I get into that, Judge Howard, you had said that
7 we need to compile the existing comments in the docket
8 as part of the comment hearing -- or exhibit.

9 JUDGE HOWARD: Your question was breaking up
10 a little bit. But if I understood correctly, no, I -- I
11 believe it is unnecessary to -- to include comments that
12 were filed to the docket before the initiation of the
13 adjudication.

14 MS. SUETAKE: Is it my understanding that
15 those -- the comments that are already in the docket are
16 still considered part of the record or not?

17 JUDGE HOWARD: Yes. I -- I believe they
18 would still be considered part of the record.

19 MS. SUETAKE: Okay. I just wanted --

20 JUDGE HOWARD: You're unfortunately breaking
21 up a little bit.

22 MS. SUETAKE: Apologies. I'm still having
23 technical difficulties.

24 Yeah. I just wanted to clarify that because
25 I know there were comments by parties -- or by

1 interested participants that are not parties to the
2 proceedings, so I just want to make sure.

3 JUDGE HOWARD: You know -- yes, actually
4 you -- you are making me rethink this a little bit.

5 I think, actually, what would be more
6 appropriate and comprehensive to do would be to only
7 omit comments filed earlier that are incorporated in the
8 testimony, perhaps, and then otherwise include all the
9 comments submitted in the docket in this -- in this
10 public comment exhibit, if that's clear.

11 MS. SUETAKE: Yes, Your Honor. It might
12 take us a little while to make sure, to verify that.
13 Particularly because I don't know if all parties who
14 filed testimony included their previous comments as
15 attachments. So it will take us a little while to
16 confirm all of that.

17 THE COURT: All right. I see Commissioner
18 Rendahl has raised her hand.

19 COMMISSIONER RENDAHL: Thank you, Judge
20 Howard.

21 I was just wondering, are we focusing on the
22 comments filed after the final version of the CEIP was
23 filed, not the Draft CEIP comments, or is it only the
24 final comments?

25 JUDGE HOWARD: Well, I believe, my -- my

1 intent, in my guidance to the parties, was to have a
2 relatively comprehensive public comment exhibit.

3 But to hopefully ameliorate some of the work
4 by not requiring Public Counsel and Staff to summarize
5 comments that were expressly adopted in testimony.

6 That might not be the best solution.

7 COMMISSIONER RENDAHL: I defer to Public
8 Counsel and Staff on this.

9 MS. SUETAKE: As much as I don't
10 particularly want to ask my team to have more work, I do
11 think it would be valuable to ensure that all public
12 comments are included in the record of this proceeding.

13 Because this became litigation at a, sort
14 of, midpoint in this, after the initial comments were
15 filed, I am just a little bit confused about when we
16 start the public comment exhibit. We are open to
17 including all of them, because they are all public
18 comments related to this plan, but I -- I'm not sure
19 what the Commission's preference is.

20 JUDGE HOWARD: Okay. I think -- for -- for
21 the moment, let's take a more comprehensive approach to
22 the public comment exhibit, including all the comments
23 except those specifically adopted in testimony.

24 How about two weeks? Would that work? Or
25 three weeks?

1 MS. SUETAKE: Can we go three weeks just in
2 case? I don't know what the workload of the rest of my
3 team is looking like right now.

4 JUDGE HOWARD: All right. Let's say that
5 this would be due February 21st. It would be marked
6 Bench Exhibit 1. If that direction ends up being
7 infeasible, just given the number of comments, we can
8 discuss that with an email that includes all the
9 parties.

10 The other main issue that I wanted to just
11 mention, and I have addressed this in an email to the
12 parties, is that we have one round of post-hearing
13 briefs in this proceeding and those are due on
14 February 22nd.

15 And as I indicated earlier, we're going to
16 default to the normal page limits in our rules, so these
17 briefs may be up to 60 pages in length.

18 Are there any questions or concerns from the
19 parties at this point?

20 All right. Hearing none. I'd like to thank
21 all the parties and their witnesses and their attorneys
22 for their participation in this proceeding. And we are
23 adjourned. Thank you.

24

25 (Hearing adjourned at 3:19 p.m.)

