

**EXH. TAH-5
DOCKETS UE-240004/UG-240005
2024 PSE GENERAL RATE CASE
WITNESS: TROY A. HUTSON**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**Docket UE-24004
Docket UG-24005**

**FOURTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

TROY A. HUTSON

ON BEHALF OF PUGET SOUND ENERGY

FEBRUARY 15, 2024

1 **PUGET SOUND ENERGY**

2 **FOURTH EXHIBIT (PSE’S CEIP EQUITY-RELATED REQUIREMENTS)**
3 **TO THE PREFILED DIRECT TESTIMONY OF**
4 **TROY A. HUTSON**

5 **Q. Did PSE file its 2021 Clean Energy Implementation Plan (CEIP)?**

6 **A.** Yes. PSE filed its Final CEIP with the Commission on December 17, 2021, and a
7 Corrected Final CEIP on February 1, 2022 in Docket UE-210795.¹

8 **Q. Did the Commission approve PSE’s Final 2021 CEIP?**

9 **A.** Yes. On June 6, 2023, the Commission conditionally approved PSE’s Final 2021
10 CEIP in Order 08 in Docket UE-210795.²

11 **Q. Please describe the equity-related conditions the Commission set forth in**
12 **Order 08 pertaining to PSE’s Final 2021 CEIP.**

13 In Order 08, issued on June 6, 2023, the Commission provided further guidance
14 on equity. The Commission reinforced the value of public participation,
15 engagement and feedback, and designated minimum energy benefits to Named
16 Communities. Order 08’s conditions included the following:

- 17
 - Implement revisions to Vulnerable Populations factors and methodology.³

¹ The Corrected Final CEIP corrected technical errors only. No correction were made to the targets, specific actions, or incremental costs in the CEIP period nor any other substantive portions of the CEIP.

² *In Matter of Puget Sound Energy*, Clean Energy Implementation Plan Pursuant to WAC 480-100-640, Final Order 08, Docket UE-210795 (June 6, 2023) (“2023 CEIP Order”).

³ PSE CEIP Final Order 08, UE-210795 ¶ 153, Condition 9, 10, 11 (June 6, 2023).

- 1 • Update the Customer Benefit Indicators (CBIs) and submit a comprehensive
2 CBI report.⁴

- 3 • Implement Minimum Designations for Named Communities. The
4 Commission required PSE to: “Designate for Named Communities a
5 minimum of 30% of the energy benefits of its DER solar, DER storage, DR,
6 and EE programs, with benefits measured across each tranche of resources.
7 PSE will commit to developing a targeting approach to identify the customers
8 and communities with deepest need within the broader category of Named
9 Communities in consultation with interested persons and advisory groups. By
10 the 2023 Biennial CEIP Update, PSE will designate a minimum percentage of
11 energy benefits that will flow to Named Communities with deepest need.”⁵

- 12 • Update DER Program Design to intentionally server customers in Named
13 Communities. The Commission stated: “To implement the 30% energy benefit
14 minimum designations for Named Communities discussed above, PSE will
15 develop mechanisms for intentionally serving customers in Named
16 Communities in each of its individual DER programs, including carve-outs for
17 program costs (including outreach/education) and minimum participation
18 thresholds. PSE will also modify its program design for solar and storage
19 DER programs to better ensure benefits flow to Named Communities,
20 including by developing targeting for Named Communities beyond using
21 income as the sole criterion for program eligibility; offering higher incentives
22 for low-income customers and Named Communities; ensuring benefits flow to
23 tenants in affordable multifamily housing; and targeting storage programs to
24 Vulnerable Populations where increased reliability would reduce
25 vulnerabilities.”⁶

- 26 • Develop and implement a DER Public Engagement Pilot. The Commission
27 required that PSE develop and implement “a DER Public Engagement Pilot to
28 gain experience with and understanding of engaging Named Community
29 members at the “Empowerment” level on the International Association for
30 Public Participation’s Public Participation Spectrum in developing DER
31 offerings specifically for Named Communities. PSE will collaborate with the
32 EAG, other relevant advisory groups, and interested persons to develop this
33 pilot. PSE will begin work on the design of the pilot within three months of a
34 final Commission order and will implement the pilot after the 2023 Biennial
35 CEIP Update.”⁷

⁴ PSE CEIP Final Order UE-210795 ¶ 200, 202, 203 Conditions 12-15 (June 6, 2023).

⁵ PSE CEIP Final Order UE-210795 ¶ 278, Condition 20 (June 6, 2023).

⁶ PSE CEIP Final Order UE-210795 ¶ 278, Condition 21 (June 6, 2023).

⁷ PSE CEIP Final Order UE-210795 ¶ 316, Condition 27 (June 6, 2023).