

# About PSE

As Washington State's oldest local energy company, Puget Sound Energy serves more than 1.2 million electric customers and more than 900,000 natural gas customers in ten counties. Our service territory includes the vibrant Puget Sound area and covers more than 6,000 square miles, stretching from south Puget Sound to the Canadian border, and from central Washington's Kittitas Valley west to the Kitsap Peninsula.

A subsidiary of Puget Energy, PSE meets the energy needs of its customers, in part, through incremental, cost-effective energy efficiency, procurement of sustainable energy resources, and far-sighted investment in the energy-delivery infrastructure. PSE employees are dedicated to providing great customer service and delivering energy that is safe, dependable and efficient. For more information, visit [pse.com](https://pse.com).

As shown in Figure 1, our electric service territory includes all of Kitsap, Skagit, Thurston, and Whatcom counties, and parts of Island, King (not Seattle), Kittitas and Pierce (not Tacoma) counties.

Our natural gas service territory includes: Parts of King (not Enumclaw), Kittitas (not Ellensburg), Lewis, Pierce, Snohomish, and Thurston counties. Figure 1.1 below shows PSE's electric and gas service territories.

**Figure 1: Puget Sound Energy natural gas and electric service territories**



# Contents

## Definitions and Acronyms

### Chapter One: Executive Summary

1. Introduction
2. Meeting our clean energy obligations
3. Refining specific targets for customer programs
4. Complying with Commission Order 08
5. Embedding equity
6. Delivering equitable and meaningful engagement
7. Designing Specific Actions
8. Delivering Customer Benefits
9. Next steps

### Chapter Two: Updating the Clean Energy Targets

1. Introduction
2. Interim target update
3. Annual goal update
4. Reasons for updates to annual goals and interim target
5. Specific target update

### Chapter Three: Equity

1. Introduction
2. Definitions of energy equity
3. PSE's energy equity approach
4. PSE's Equity Guidance Tool
5. PSE's Equity Assessment Framework
6. Integrating the tenets of energy justice in the CEIP
7. Conclusion

### Chapter Four: Public Participation

1. Introduction
2. Public participation objectives and tactics
3. Public participation approach and metrics

4. Key lessons learned
5. Future work (2024-2025)

## Chapter Five: Specific Actions

1. Introduction
2. Energy efficiency
3. System wide demand response
4. Time-varying rates
5. 2021 All-Source Request for Proposal
6. Distributed Energy Sources – Solar
7. Distributed Energy Sources – Storage
8. DER Enablement
9. Grid Mod
10. Energy assistance
11. Leveraging public funding

## Chapter Six: Customer Benefit Indicators

1. Introduction
2. Relevant Order 08 conditions
3. Future work to be done

## Appendix A-1: Aurora Modeling Analysis

1. Introduction and key assumptions
2. Updates to the 2023 Report Preferred Portfolio
3. Portfolio analysis
4. Risk analysis

## Appendix A-2: Aurora Modeling Output

## Appendix A-3: 2022-2023 Actual Generation Data

## Appendix B: Commission Order 08 Conditions and Status

## Appendix C: Public Participation

1. Equity Advisory Group members (2021-2023)
2. Equity Advisory Group meetings, objectives, summaries/feedback (2021-2023)

3. Other advisory group meetings and objectives (2021-2023)

## Appendix D: RFP Qualitative and Quantitative Analysis

1. 2021 All-Source RFP
2. 2022 DER RFP evaluation and methodology
3. 2023 Distributed Solar and Storage RFP rubrics

## Appendix E: Biennial Cost Update

## Appendix F: CEIP Programs and Actions Master Table Update

## Appendix G: DER Enablement

1. Purpose
2. Program updates
3. Equity

## Appendix H: Customer Benefit Indicator Metrics

1. Introduction
2. Improved participation from named communities
3. Increase in quantity and quality of clean energy jobs
4. Improved home comfort
5. Increase in culturally and linguistically accessible program communications for highly impacted communities and vulnerable populations
6. Decrease number of households with high energy burden
7. Reduced greenhouse gas emissions
8. Improved outdoor air quality
9. Improved community health
10. Decrease in frequency and duration of outages
11. Improved access to reliable clean energy
12. Decrease residential arrearages and disconnections for non-payment

## Appendix I: Vulnerable Populations and Deepest Need Methodology

1. Vulnerable populations
2. Modeling inputs
3. Modeling outputs

## Appendix J: ILLUME Memorandum: PSE Equity Framework Assessment

1. Define PSE's equity vision – the “North Star”
2. Define populations
3. Identify the current state: barriers & burdens
4. Define customer benefits: goals and targets
5. Articulate specific actions
6. Measure costs and benefits

## Appendix K: Demand Response (DR) Additional Information

1. Flex Smart and Flex Rewards
2. Flex Event recap
3. Marketing and outreach plan
4. Demand response program funding