Feedback report and meeting summary

Equity in the Integrated Resource Plan (IRP) Public Webinar

Meeting details

- Thursday, June 6, 2024, 2:00 p.m. - 3:30 p.m.
- Virtual webinar hosted by PSE and facilitated by Triangle Associates
- Links to:
    - Presentation
    - Meeting recording
- Participants: 16 via Zoom (plus 16 panelists), 38 YouTube views as of June 23, 2024

Meeting summary

Agenda Topic	Summary
Welcome and Engagement Overview Brian Tyson, Manager, Clean Energy Planning and Implementation, PSE	• PSE shared an overview of previous and upcoming engagements focused on equity. • In May 2024, PSE held an Equity Advisory Group (EAG) meeting focused on equity in electric resource planning. • In June 2024, PSE is having 3 meetings on equity. This includes today's webinar and an RPAG and EAG meeting. • In July 2024, PSE will have an RPAG webinar on equity in gas resource planning. • PSE's equity engagement spans the categories of inform, consult, and involve on the International Association for Public Participation's (IAP2) spectrum of community engagement.
Energy Equity Program Overview Troy Hutson, Director, Energy Equity, PSE	• PSE has three strategic goals for energy equity: meeting regulatory commitments, operationalizing equity, and strengthening partnerships and enhancing engagement. • PSE developed guiding principles with the EAG for its energy equity strategy. These includes accountability, simplicity, and transparency. • PSE views equity as a process, not an outcome. • PSE is using an energy justice framework following Commission Guidance. This framework consists of recognition, procedural, restorative, and distributional justice.

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	• Recognition justice asks the question of who the populations are who need support.
	• Procedural justice focuses on how to engage with the identified populations.
	• Distributional justice focuses on the benefits provided and burdens that are reduced.
	• Restorative justice is about structural changes to address systemic inequities.
	• This stage of planning is not an acquisition process.
	• Equity shows up within the customer journey in customer relationships, billing, and programs.
	• Within customer relationships, PSE addresses equity by focusing on extensive direct engagement with customers in named communities, in language experience, and meeting customers where they are.
	  ○ Regarding equity in billing, PSE has programs for billing relief, reducing energy use, and transitioning customers to a clean energy future.
	  ○ Regarding equity in programs, PSE has programs for weatherization assistance, income-eligible community solar, home energy generation and storage incentives, and a Home Energy Lifeline Program (HELP).
	  ○ PSE addresses equity in energy planning and delivery across many projects beyond the Integrated Resource Plan. For example, resource acquisition, delivery system, customer programs, facility design, siting, and construction, and the Clean Energy Implementation Plan (CEIP).

Equity in the Integrated Resource Plan (IRP)
Brian Tyson, Manager, Clean Energy Planning and Implementation, PSE
	• PSE creates an IRP for two utilities: electric and gas
	  ○ The electric utility is used for heating, cooling lighting, cooking, and general power. Current sources include coal, natural gas, hydroelectric, solar and wind.
	  ○ The gas utility is used for space heating, cooking, and water heating. Sources include natural gas, renewable natural gas, and some hydrogen which is currently being piloted.
	• PSE provided an overview of the IRP process.
	  ○ PSE gathers data on the resources it may consider in the modeling process.
	  ○ PSE engages interested parties through public participation.
	  ○ Using the data and public feedback as inputs, PSE identifies and models portfolios.
	  ○ PSE conducts a portfolio benefit analysis using customer benefit indicators (CBIs). This helps PSE understand the benefits customers may see from a particular portfolio.
	  ○ PSE identifies the resource needs.
	• PSE is integrating feedback from its previous iteration of the IRP. Overall, PSE heard support for the portfolio benefits analysis concept and interest in incorporating a cost-benefit analysis and adding a climate change resilience indicator. PSE also heard feedback regarding benefits and burdens, and weighting benefit categories along with inherent trade-offs which will be discussed during today's webinar.
	• PSE shared a timeline of the 2023 public engagement process and highlighted the upcoming equity-focused meetings with the RPAG and EAG.

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	• PSE described how its IRP planning process is tied to the four tenets of the energy justice framework
	  ○ Recognition justice: PSE is identifying the potential burdens and benefits of each generic resource in the portfolio
	  ○ Procedural justice: PSE is engaging with advisory groups, interested parties, and external subject matter experts (SMEs) and streamlining the final IRP document for a more diverse audience
	  ○ Distributional justice: PSE is using a tool in its portfolio benefit analysis to identify the portfolio with the highest equity-enabling potential and is modeling a maximum customer benefit scenario in the electric IRP.
	  ○ Restorative justice: PSE is taking deliberate actions to incorporate equity and minimize inequities in the future through engagement, preferred portfolio selection and understanding and tracking customer benefits.

Benefits and Burdens of Generic Electric Resources
Alexandra Karpoff, Energy Resource Planning Analyst, PSE
	• PSE asked for public feedback on its proposed approach to evaluating the benefits and burdens of generic electric resources along with any other considerations the public would like to see included.
	• In the 2025 IRP, PSE suggests assessing the potential burdens and benefits of generic resources. This would allow PSE to further address qualitative, and location considerations along with the tenet of recognition justice.
	• PSE defined generic resources as generating or storage resources that are used as placeholders to help model and plan for future customer needs. There are no specific locations or sites tied to generic resources. A portfolio consists of a mix of generic resources with an optimal size in megawatts (MW) and an optimal schedule over time for adding each type of resource.
	• PSE provided an overview of their methodology for assessing burdens and benefits. PSE reviewed existing literature to identify equity metrics and plans to use those metrics to guide their impact assessment.
	• PSE's equity metrics have three different scales of impact: global, PSE customer, and resource footprint.
	  ○ Global scale equity metrics include greenhouse gas emissions and end-of-life effects. End-of-life effects are the considerations for resources after their commercial lives are over.
	  ○ PSE customer scale equity metrics include participation in clean energy programs, home comfort, frequency and duration of outages, access to reliable clean energy, and energy cost burdens.
	  ○ Resource footprint scale equity metrics include siting in a disproportionally impacted community, local energy service provided, change in land use/viewshed, change in noise exposure, community safety, outdoor air quality, community health, creation of jobs, decommissioning effects, and wildlife and plant community impacts.
	• PSE plans to use the equity metrics to conduct a qualitative equity assessment for each of the generic resources it is considering in the IRP.
	• PSE's equity assessment will be included as a narrative in the resource planning documents. This analysis will also help inform PSE's portfolio benefit analysis.

Electric Portfolio Benefits Analysis	• PSE provided an overview of its portfolio benefit analysis. Its objective is to develop a tool to allow PSE to identify which portfolios developed in the IRP modeling contain the most equity-enabling features.

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Improvements and Maximum Customer Benefit Sensitivity
Tyler Tobin, Senior Energy Resource Planning Analyst, PSE
	• This is PSE's second iteration of the process. The first time they did this analysis was in the 2023 Electric Progress Report.
	• PSE presented the feedback they heard from their portfolio benefit analysis in the 2023 Electric Progress Report. Based on this feedback, PSE incorporated the following changes:
	  ○ Created a generic resource scoring system to more transparently allocate burdens and benefits to resource types
	  ○ Binary scoring to allow for qualitative metrics
	  ○ Moved to an absolute portfolio score, so every portfolio is independent of one another
	  ○ Retained a post-process approach to keep a clear division between economic and equity modeling
	  ○ Incorporated more metrics to reduce the influence of any related metrics
	• PSE discussed its approach to modeling the maximum customer benefit sensitivity which is required under the Washington Administrative Code (WAC) and outlined by the Revised Code of Washington (RCW).
	• PSE looks at benefits to maximize across the categories of energy benefits, non-energy benefits, public health, environmental benefits, cost and risk reduction, and energy security and resiliency. PSE has specific metrics for each of those categories to maximize.
	• Overall, PSE has found that conservation, demand response, and distributed solar and storage resources provide value to many of the metrics.
	• Local, distributed resources are marked as desirable in both the portfolio benefit analysis and in customer surveys.

Gas Portfolio Equity Analysis
Brian Tyson, Manager, Clean Energy Planning and Implementation, PSE
	• PSE gave a regional overview of the scope of the gas IRP.
	• The gas IRP evaluates the least cost approach for delivering gas and performs an equity analysis of regional pipelines and the availability of fuels.
	• PSE previously discussed equity in delivery system planning during the Nov. 6, 2023, Public Webinar.
	• PSE is evaluating four resource alternatives in the gas IRP. These include energy efficiency, alternative fuels, target electrification, and natural gas.
	• Equity is part of the decision-making framework for the gas IRP.
	• PSE provided an overview of its methodology for the gas equity scorecard assessment.
	  ○ This assessment predicts how well a portfolio will enable the distribution of burdens and benefits
	  ○ PSE's methodology is similar to the electric portfolio benefit analysis but with a different set of customer benefit indicators (CBIs) and resources
	• PSE outlined its six metrics for gas CBIs. These metrics align with an indicator and a Clean Energy Transformation Act (CETA) category. These metrics include:
	  ○ Number and percentage of participation in energy efficiency and electrification programs or services by PSE customers

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	○ Quantity of clean energy jobs available in the region ○ Dollar in net present value (NPV) for energy efficiency programs ○ Quantity of greenhouse gas emissions emitted by a resource ○ Total system reliability ○ Increase in reliable energy • PSE requested feedback on what the public thinks of the proposed approach to evaluating the benefits and burdens of generic electric resources along with other considerations the public would like to see included. Responses are recorded on the mural board at pse.com/irp.
Next Steps and Public Comment Opportunity Sophie Glass, Facilitator, PSE	• June 12, 2024, RPAG meeting: Equity in the IRP • June 13, 2024: Feedback form closes for June 6 public webinar • July 17, 2024, RPAG meeting: Gas modeling process, scenarios, and resource alternatives • September 11, 2024, RPAG meeting: Draft results and decision process, decarbonization update

Feedback report

The following table records participant questions and PSE responses from the public comment opportunity and comments submitted via online feedback form or irp@pse.com. Meeting materials are available on the IRP website.

Note: PSE aims to provide clarity in responses but subsequent follow-up may be required at times. Please direct any follow-up clarifications to irp@pse.com.

No.	Date	Interested party	Submitted via	Question or comment	PSE response
1	6/6/2024	Thomas Kraemer	Q&A	How does PSE identify low-income customers? Is that a self-identifying process?	There are requirements for what is considered low-income. We have moved to self-attestation for many of our programs. This means the customer attests to meeting the requirements and PSE does an audit for a certain percentage of customers to ensure compliance and accountability. PSE offers a web tool to asses eligibility for income-eligible programs.

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2	6/6/2024	Thomas Kraemer	Q&A	How does PSE identify low-income customers who do not know that they need to self-attest?	PSE has tried to streamline and simplify the application process so that a lot of the applications can be done using PSE's online tools. As a customer goes through that process, the tool will prompt them to do the self-attestation.
3	6/6/2024	Joel Nightingale	Q&A	Has PSE worked to quantify these benefits and burdens in a way that the IRP portfolio model understands and can optimize around rather than doing a post-modeling portfolio benefit analysis?	Yes, PSE did try to do some quantification of these potential burdens and benefits. By keeping a post-processing methodology for the equity assessment PSE keeps it accessible and easier to understand. If PSE were to quantify burdens and benefits and input them into the model, it would get highly technical and less accessible. Another difficulty is that it can be hard to put a dollar value on it. There were enough data gaps that PSE concluded that it would be more accessible and clearer to keep it outside of PSE's portfolio model. This lets the model do what it does best, which is solving for a lease cost solution.
4	6/6/2024	Joel Nightingale	Q&A	I did not see icons on slide 37 representing resources other than distributed resources, energy efficiency, and distributed solar. Did PSE consider other resources when trying to define which offers the most benefits?	Yes, we did consider other resources. We decided to simplify the slide to just three resources for the presentation to reduce clutter and keep it focused.
5	6/6/2024	Thomas Kraemer	Q&A	Regarding DERs, you mentioned the NREL dGEN model for estimating solar DERs. These are customer-owned, but what about PSE-owned distributed sources?	There are several levels of potential in the dGEN model including the technical, market and economic potential. The economic potential illustrates where customers are willing to purchase specific resources. The market potential shows how many of those resources could exist in the region, which may or may not represent where customers are willing to make those purchases themselves. This is the boundary condition where PSE may be

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					developing community solar at commercial buildings, on rooftops, over parking lots etc.
6	6/12/2024	James Adcock	Feedback form	I am concerned that Puget will not get there: that come 2030 Puget will not be at 80% actually clean power delivered to customer load as required by CETA, and which Puget has repeatedly promised. And that then Puget will "blame the customer" -- that customer uptake of these myriad little Puget customer programs will not been as high as Puget has projected. This is not a customer problem. Puget alone is responsible to get to 80% actually clean in 2030. I suggest to have any hope of getting there Puget needs to take an "all of the above" approach including utility scale Wind and Solar -- which Puget has not been acquiring at the best possible rate. I disagree with this Puget self-invented yes/no checkmark system for scoring the desirability of individual measures, as opposed to verifiable and well-recognized metrics: namely is the measure cost-effective -- is it reasonably "lowest *reasonable* cost" -- and does it actually reduce Green House Gas emissions, and if so at how much cost per ton? And how much measurable customer benefits does the individual measure actually deliver, rather than simply yes/no it delivers *some* unmeasured amount of customer benefits. It should shock no one when I suggest that Puget should be held accountable for the cost-effectiveness of their programs, traditional "lowest reasonable cost" and quote "in all ways just and reasonable" accounting. Rather then	Thank you for your feedback.

No.	Date	Interested party	Submitted via	Question or comment	PSE response
				Puget's not-accountable self-invented check-box system.	

Attendees (alphabetical by first name)

1. Chris Goelz
2. Christopher Beasley
3. James Adcock
4. Jennifer Gross
5. Jesse Durst
6. Joel Nightingale
7. Kate Brouns
8. Kathleen Campbell
9. Leona Haley
10. Mark Sellers-Vaughn
11. Matt Larson
12. Patrick Leslie
13. Seth Baker
14. Thomas Kraemer
15. Weber Quinn

PSE staff

1. Alexandra Karpoff
2. Brett Rendina
3. Brian Tyson
4. Elizabeth Hossner
5. Jennifer Coulson
6. Kara Durbin
7. Meredith Mathis
8. Phillip Popoff
9. Ray Outlaw
10. Troy Hutson
11. Tyler Tobin

Facilitation staff

1. Emilie Pilchowski, Triangle Associates
2. Pauline Mogilevsky, Triangle Associates
3. Sophie Glass, Triangle Associates
4. Will Henderson, MFA