

Equity Advisory Group: Draft Charter and Operating Guidelines

Draft – 4/8/2021

Purpose

The Equity Advisory Group (EAG or “Group”) is established to advise Puget Sound Energy (PSE) on the equitable delivery of benefits and burden reduction related to the planning and implementation of Washington’s clean electricity standard, enacted into law as the Clean Energy Transformation Act (CETA). It will contribute to the fulfillment of PSE responsibilities related to Clean Energy Implementation Plan (CEIP) and Integrated Resource Plan (IRP) requirements.

The role of the Equity Advisory Group is to provide advice to the PSE Team on specific areas related to advancing equity in clean electricity planning and implementation, with a focus on its impact on frontline vulnerable and highly impacted communities and customers. The provisions of the Clean Energy Transformation Act (CETA) and the regulations supporting the CEIP process provide additional guidance on roles and definitions.¹

EAG Principles

The PSE EAG will be founded on the principles of openness, transparency, communication, and accountability to its Members. Transparency requires dialogue and participation in a collaborative process. While Group members have primary responsibility for the work of the EAG, its meetings are open to the public for observation and public comment.

The EAG will work to address the principles of equity embedded in assuring accessibility, affordability, and accountability.

PSE Commitments

- Commit to the principle that those who are most impacted by climate change should play an active role in addressing equitable solutions to climate change.
- Recognize the privilege and power PSE holds and actively seek to create an equitable and inclusive environment.
- Respect Tribal sovereignty and use the appropriate channels with tribal governments and customers.
- Recognize that an equitable process is integral to developing equitable energy solutions.
- Be clear about the level of decision-making power the EAG and community groups will have throughout the process to not misalign expectations or misinform.
- Work to understand the historical energy burdens on and environmental harms to low-income communities and BIPOC communities in order to create more equitable systems moving forward.
- Learn alongside the EAG and commit to an ongoing and iterative learning process.
- Be accountable to EAG recommendations by explaining how EAG feedback was used or was not used.

¹ For rules guiding the CEIP public participation process, including the Equity Advisory Group, refer to Washington Administrative Code 480-100-655 <https://apps.leg.wa.gov/wac/default.aspx?cite=480-100-655>.

EAG Member Commitments

- Participate in facilitated discussions about PSE's electric energy resource planning, programs, and investments to ensure our energy efforts are accessible, affordable, and accountable.
- Work collaboratively with PSE on equitable energy outcomes for customers.
- Provide advice, experience, and perspectives on social, economic, racial, tribal, and environmental equity, and assist in identifying best practices for improving and expanding equity as a way to inform how we develop metrics and measure performance.

EAG Membership and Terms of Service

The EAG will consist of 10-15 members who reside and/or work throughout PSE's electric service area. Diversity of geographic representation throughout PSE's service area will be actively encouraged and managed during recruitment and selection processes. The vision for the Group is a diverse group of individuals with connections to the communities we serve, including those communities at the frontline of climate change (e.g., low-income communities, Black, Indigenous, and People of Color (BIPOC), and other vulnerable populations).

PSE has convened the Inaugural EAG that will serve from April 2021 through March 2022. The Inaugural EAG will, in consultation with PSE, determine a process for future member selection and appointment.

Terms of service

Except for the Inaugural EAG, each appointed EAG Member serves on the group for a period of two years and may be reappointed once. A staggered process is utilized, whereby there is a turnover of members of approximately fifty percent in any given cycle of election.

Terms will run from 1 April until 31 December two years later.

Members wishing to withdraw from the EAG should do so by informing the PSE Strategic Engagement Lead in writing.

Open positions: When a position is open outside of normal terms of service, the third-party neutral facilitator in consultation with PSE may choose whether to fill that position before the normal May to September recruitment period.

Exception to the two-year term: During the initial start-up period of the EAG, approximately half the Group members will be appointed to a three-year term instead of a two-year term so that their terms can be staggered, and the Group can have some continuity.

A Group member **may not serve for more than five years cumulative across the Advisory Groups unless granted approval by PSE.**

Group Conduct

It will be important that EAG members adhere to a code of conduct designed to promote a transparent, open and candid exchange of ideas and concerns. The EAG will adhere to the following guidelines for conduct during meetings:

- Listen to and appreciate the diversity of views and opinions.
- Actively participate in the group.

- Behave constructively and courteously towards all participants.
- Attend all meetings in a timely manner.
- Respect the role of the facilitator to guide the group process.
- Silence electronic devices.

Disagreement and differences of opinion are acknowledged, explored, understood, and appreciated. Should conflict arise, it will be addressed with the guidance of the EAG facilitator. Recurring inappropriate individual behavior may result in an individual being respectfully excused from the EAG.

Roles and Responsibilities

Below is a summary of the roles and responsibilities associated with the EAG.

Puget Sound Energy

PSE is the convener of the EAG. PSE will ensure that the EAG meets the requirements of the CEIP and other guidance from the Washington Utilities and Transportation Commission (UTC). PSE provides the services of independent third-party neutral facilitators to support this project. PSE will help appoint future EAG members and will approve the EAG's annual work plan and any subgroup's plan. PSE is also responsible for ensuring the accessibility accommodations listed below.

The Equity Advisory Group

The EAG will provide advice to the PSE Team on specific areas related to advancing clean electricity planning and its impact on frontline vulnerable and highly impacted communities and customers (see the "Purpose" section for more details). The EAG does *not* need to come to consensus or have a majority vote on the advice it provides PSE. EAG members may suggest agenda topics to the facilitator. The EAG will work with PSE on an annual work plan. EAG members from established organizations may designate one alternate to represent the organization in the event the primary participant cannot attend.

Meeting Facilitator(s)

Meeting facilitators neutrally and impartially supports all participants, maintains the integrity of the process, and facilitates communication about the process among participants and other interested parties. The facilitator will work collaboratively with the project team to prepare process designs, meeting agendas, pre-work materials and final EAG products. Private conversations between an EAG participant and the facilitator will be considered confidential unless otherwise identified. Any written communications are considered public records and may be subject to public disclosure.

Observers/Members of the Public

Per the CEIP rules, EAG meetings are open to the public and non-members, who will be known as observers. Observers are welcome to attend and contribute to meetings through comments submitted in written form or during the prescribed portion of the agenda dedicated to public comment. Observer participation is facilitated by making the meeting schedule and joining details publicly available. Observers must respect the need for the EAG to reach conclusion in its discussions and may not participate in any polling or voting. Observers may be excluded from certain discussions if the majority of the EAG members feel that the discussions need to be held in private (e.g., Executive Session).

EAG Governance (placeholder)

PSE and the EAG will discuss committee structure regarding interest in having a Chair and Vice Chair or Steering Committee to help shape EAG agendas.

Sub-Groups

PSE and the EAG may create sub-groups to focus on specific elements of the EAG work plan.

Compensation Pilot Policy

PSE is piloting a compensation program for the EAG to recognize their community-informed contributions and time during a year-long process. EAG members are eligible for stipend compensation and expense reimbursement and can confidentially communicate a stipend request to PSE.

The Inaugural EAG and PSE staff will review the stipend pilot policy prior to March 2022 to make informed recommendations whether to permanently continue, modify or end the compensation pilot. The review shall include any guidance issued by the UTC relevant to EAG compensation issues.

Accessibility

To make EAG meetings accessible to EAG members, PSE will offer the following:

- Provide language interpretation if needed.
- Provide assistive technology to EAG members with disabilities, or provide other accommodations as needed (e.g. large-size print documents, documents formatted for screen readers, etc.).
- Choose Americans with Disabilities Act (ADA) accessible venues if meetings are held in person.
- Choose transit-accessible venues if meetings are held in person.
- Choose virtual meeting platforms with call-in options to be mindful of internet and data limitations.

Tribal Participation

PSE enthusiastically encourages tribal communities and tribal members within PSE's service area to participate in the EAG. PSE's commitment to open and respectful communication with Tribes as sovereign governments is not dependent on participation in the EAC.

Calendar and work plan

The inaugural EAG term runs from April 2021 to March 2022 and the work plan is for the same period.

During this period, PSE anticipates up to 10 EAG meetings, each with a duration of three hours in duration depending on topic.

Subsequent EAG calendars and work plans will be developed by PSE and the EAG.

Operational Guidelines

Meeting Dates and Times

Meeting dates and times are established in consultation with the group. Dates of upcoming meetings will be posted on the project website.

Quorum Requirement

There is no quorum requirement; participants present and active at each meeting can continue to work in the absence of others. Organizational representatives may designate one alternate to represent the organization in the event the primary participant cannot attend. In this instance, primary participants will ensure the alternate is fully informed and prepared for the meeting. While those representing individual interests cannot designate an alternate, every effort will be made to provide an opportunity for input ahead of any meeting an individual anticipates missing.

Meeting Materials

The meeting packet (agenda and any pre-reading material provided by PSE) is distributed to group members at least three days prior to each meeting. The agenda is posted to the project website three days prior to each meeting.

EAG meetings are designed to allow for substantive discussion and opportunities for EAG members to individually, and collectively, provide input and feedback to PSE. As such, PSE does not currently anticipate allocating meeting time for structured presentations by individual EAG members.

Meeting Location

Meetings will be hosted by PSE, generally from 2-3 hours and at a time generally agreed to by the EAG. Meetings will be held online for 2021 unless otherwise agreed to by the group.

Meeting Structure

At each meeting, EAG participants may generally expect to receive information provided by PSE, discuss EAG framing questions (listening to and considering each other's perspectives), and provide individual and collective responses to the framing questions. Technical questions related to the topics under discussion at each meeting will be addressed as possible during the meeting, with any follow up actions noted. Technical questions beyond the scope of the topics under discussion by the EAG will be addressed separately from the EAG process.

Process Documentation

EAG discussions and meetings will shape inputs into PSE's Clean Energy Implementation Plan and compliance reporting. For these reports, EAG discussions will be summarized for submission to support the final CEIP by the neutral third-party facilitation team, and the summary will earnestly capture individual and collective feedback at key discussion points and process milestones. While areas of agreement will be noted by the facilitation team, there is no intent to develop a consensus recommendation from the EAG regarding the CEIP components.

For non-reporting years, the EAG's work will be summarized at the end of the year to capture feedback and help inform ongoing CEIP efforts.

Conflicts of Interest

Members are responsible for supporting the third-party facilitator with conflicts of interest relating to matters at the Group are identified, documented, and dealt with appropriately. For example: a conflict with a stated policy from an organization they represent or other affiliation.

While it is the intention to support, openness, transparency and communication, compliance with the principle of accountability may require management matters to be addressed separately.

Correspondence

The group may, at times, conduct correspondence via email. Participants are encouraged to email questions and concerns to PSE Strategic Engagement Lead Diann Strom at ceip@pse.com and copy EAG facilitator Rose McKinney-James at rose@mckinneyjamesassociates.com.

Media, Photography, and Recording

The PSE media spokesperson for this process is Diann Strom or designee. EAG participants may speak individually to the media outside of meeting sessions but shall not speak on behalf of the group. EAG meetings are public meetings. Participants may be video recorded, audio recorded and/or photographed by PSE or others during the meeting. EAG members will be notified when meetings are being video- or audio-recorded. When such activity occurs, the facilitator will ensure that these activities take place without interruption or interference with the meeting or participants.

Eligibility for PSE Grants

PSE is seeking strong engagement from local community organizations throughout its service area. We recognize that many of these organizations participate in grant opportunities offered by PSE. To ensure that there is no conflict of interest, and that all organizations can continue to seek these grant opportunities, PSE offers the following guide:

EAG membership does not disqualify nor provide any influence in any member's associated organization for eligibility for PSE Powerful Partner, PSE Green Power and Solar Choice grants, or other grants. The grant programs are entirely separate processes at PSE that will remain unassociated with EAG membership and processes.

Charter Adoption and Charter Amendments

This Charter for the EAG is considered a living document and as such, a work in progress. The adoption of the inaugural EAG charter will be achieved through a facilitated discussion and consensus.

The EAG Charter may be amended consistent with the terms and processes agreed to by PSE and the Group. Typically, adjustments to the Charter are considered to support any significant changes proposed for conducting the business of the Group. The facilitator will work with PSE and the EAG to periodically evaluate if adjustments to the Charter and Operational Agreements are warranted.