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## Future Work and PSE Commitments



## Chapter Eight: Future Work and PSE Commitments

This chapter, focused on challenges and our path forward, includes an anticipated timeline and is based on current topics identified by stakeholders that are not fully addressed in the CEIP.

This Clean Energy Implementation Plan (CEIP) is the initial roadmap for PSE to reach a cleaner, more equitable energy future in the next four years. The 2021 CEIP is the first CEIP and sets an important new direction, focused on increased energy efficiency, the addition of demand response to PSE's portfolio, and transforming PSE's portfolio to renewable energy. Driven by the Clean Energy Transformation Act (CETA), the process of energy planning is changing to a more continuous and iterative process, working in concert with other new and existing processes that will impact the direction PSE takes to achieve the targets of CETA over time.

There are several essential areas of work ahead in 2022 that will continue to shape the work outlined in this CEIP. These are:

- Evaluating the results of the 2021 All-Source RFP and 2022 Distributed Energy Resource and Demand Response RFP.
- Establishing baseline data and measurements for customer benefit indicators not already included in this CEIP.
- Designing Distributed Energy Resource and Demand Response programs, including engagement with highly impacted communities and vulnerable populations.
- Implementing and learning from implementation of energy efficiency programs in 2022–2023.

### PSE Commitments

As new information becomes available, PSE will continue to engage with our stakeholders through the public participation process. Some information will be incorporated into the RFP evaluation process in 2022, and some will be incorporated in the 2023 IRP progress report and 2023 biennial CEIP update.

Specifically:

1. PSE will include the following in the 2023 IRP progress report consistent with WAC 480-100-625:
  - Load Forecast
    - Incorporate temperature data that reflects climate change.
    - The temperature data will be shared with the IRP stakeholders in early 2022.
  - Demand-side resource assessment, including conservation potential assessment consistent with the load forecast.

- Changes to PSE’s resource adequacy modeling as outlined in the PSE response to public comments on ELCC calculations and use filed under WUTC Docket UE-210220<sup>75</sup>.
  - Updated generic resource costs and operating characteristics with the most up to date information.
  - Any updates to short-term market reliance.
2. PSE will incorporate the following in the Phase 2 evaluation of the 2021 All-Source RFP and 2022 Targeted DER RFP analysis<sup>76</sup>:
- Temperature data that reflects climate change into the load forecast consistent with the 2023 IRP progress report.
  - Updated effective load carrying capability (ELCCs) as part of PSE’s update to our resource adequacy modeling consistent with the 2023 IRP progress report.
  - Updated resource needs and portfolio modeling consistent with the 2023 IRP Progress report.
  - Any updates to short-term market reliance as part of PSE’s update to our resource adequacy modeling consistent with the 2023 IRP progress report.
3. PSE will incorporate the following in the 2023 biennial CEIP update:
- The analysis contained in the 2023 IRP progress report described in #1 above,
  - The results of the 2021 All-Source RFP,
  - The results of the 2022 Targeted DER RFP.
4. PSE will begin developing the building blocks for an equity assessment for the 2023 biennial CEIP update, including:
- PSE will continue to develop data sources for metrics related to customer benefit indicators and any baseline data not already included in this CEIP by the end of Q2 2022.
  - PSE will continue to work with stakeholders to identify and develop future customer benefit indicators, including the potential for measuring fish and wildlife impacts, wildfire

<sup>75</sup> [https://www.pse.com/-/media/PDFs/001-Energy-Supply/003-Acquiring-Energy/210220ELCCDRAFT-PSE-Resp-to-Pub-Comments120321.pdf?sc\\_lang=en&modified=20211203234257&hash=1671F391F3273487C6186AD12F29FC85](https://www.pse.com/-/media/PDFs/001-Energy-Supply/003-Acquiring-Energy/210220ELCCDRAFT-PSE-Resp-to-Pub-Comments120321.pdf?sc_lang=en&modified=20211203234257&hash=1671F391F3273487C6186AD12F29FC85)

<sup>76</sup> See the ELCC Workshop and Market Reliance Workshop presentations here:

<https://www.pse.com/en/pages/energysupply/acquiring-energy#2021all>



impacts, sense of pride and self-sufficiency, and indoor air quality through the end of 2023 to inform the potential collection of baseline data for the next CEIP and will provide an update on this work in the 2023 biennial CEIP update.

- PSE will continue working on methodology for scoring and weighting customer benefit indicators for the next CEIP and provide an update on this work in the 2023 biennial CEIP update.
- PSE will continue to assess and measure the disparities within its existing programs and work with customers and stakeholders to begin to understand root factors causing disparities by the end of Q4 2022.
- PSE will engage with highly impacted communities and vulnerable populations in Q4 2022 to begin designing programs that mitigate existing disparities, are accessible and affordable and bring benefits directly to these customers that can be measured through the customer benefit indicators.

## Guiding Principles for Implementation

As we work to create a new clean energy future and consider the urgent need to address climate change, we must do so in a way that ensures all our customers, especially those who shoulder an outsized share of the climate burden, have a voice in and benefit from the transition to clean energy. In listening to and learning from our new Equity Advisory Group, guiding principles arose. PSE will use these principles to help guide CEIP implementation.

PSE and the Equity Advisory Group met multiple times and worked together to develop the following guiding implementation principles to help ensure accessibility, accountability, and affordability to accelerate equity in the clean electricity transition.<sup>77</sup>

### Overarching principles

- Equity requires we ensure all customers benefit from clean electricity through an intentional effort to engage and advance the interests of vulnerable communities.
- Vulnerable communities bear a disproportionate burden of environmental risk and have historically faced barriers to clean electricity benefits, particularly low-income, senior, immigrant and Black, Indigenous, and People of Color (BIPOC) communities.<sup>78</sup>
- In this work, we seek to increase equity in electricity for vulnerable communities by addressing accessibility, affordability, and accountability during the clean electricity transition and beyond.

### Accessibility principles

- **Increase community participation and sense of ownership in the clean electricity transition** by broadening customer awareness, education, and understanding of clean electricity technology and benefits.
- **Meet people where they are using education and outreach strategies that remove barriers and are intentional, multidimensional, flexible, and continuous.** Educational materials must be simple, accessible, visually engaging, and culturally, generationally, and linguistically relevant using conventional and emerging technologies.
- **Create a reciprocal process to build community capacity** by strengthening and expanding our relationships and sharing knowledge and resources with non-traditional organizations. This creates benefits for vulnerable communities such as job creation, training, recruitment, small business opportunities, supplier diversity, and community economic development.

<sup>77</sup> These are living principles, and PSE and the EAG may adjust these further during implementation.

<sup>78</sup> Our understanding of vulnerable communities is consistent with Washington's Clean Energy Transformation Act WAC 480-100-605 definitions for highly impacted communities and vulnerable populations, and we will continually update our understanding of these communities as we work to broaden and deepen our relationships with our customers.

Affordability principles

- **Create, evaluate, and continuously improve programs that increase vulnerable communities' ability to afford the resources they need** while providing additional opportunities for renters, multi-family residents, small businesses, and low-income households to participate.
- **Factor the unique socioeconomic considerations of vulnerable communities into program design** to advance the interests of these communities.

Accountability principles

- **Design programs that produce the outcomes desired by vulnerable communities** by creating an iterative process that prioritizes input from these communities and explains how we used their ideas.
- **Commit to a future that reduces or eliminates harmful impacts to vulnerable communities by continually** working together to understand historic, systemic, and environmental burdens and addressing those harms through program design, implementation, and reporting.
- **Consistently review and reflect upon practices that could potentially harm vulnerable communities** during and beyond the planning and implementation stages of the clean electricity transition.
- **Diligently and transparently measure, track, refine, and communicate results-driven metrics** for vulnerable communities, including customer benefit indicators, clean electricity costs, and delivery on clean electricity targets and programs.

During 2022 and beyond, PSE will continue to engage with our customers, especially those in highly impacted communities and vulnerable populations, in accordance with the Public Participation Plan in [Appendix C](#). PSE will also continue to engage with customers, advisory groups, stakeholders, and tribal governments on these issues as part of the public participation process.