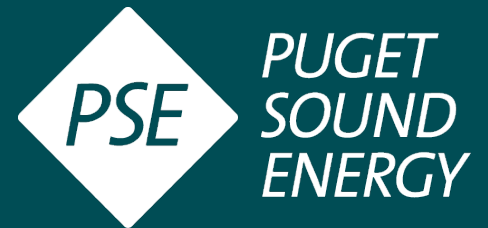


Equity Advisory Group Meeting

March 19, 2024

5 p.m. – 7 p.m.



Welcome and Introductions

Rose McKinney-James
Facilitator



Safety Moment

Talysa McCall

Communications Initiatives Consultant, Energy Equity



Spring safety

- **Check the weather:**
 - You may encounter several types of weather in one day. Packing things like an umbrella, boots, or hat could help.
- **Spring Cleaning:**
 - With warmer weather comes our urge to CLEAN, make sure to read warning labels on products.
- **Apply Sunscreen when outdoors:**
 - Used regularly, sunscreen helps prevent sunburn, skin cancer and premature aging.
- **Beware of insects**
 - You may notice an increase in the number of insects buzzing around outside. Watch your surroundings for things like hornets nests and ant piles.



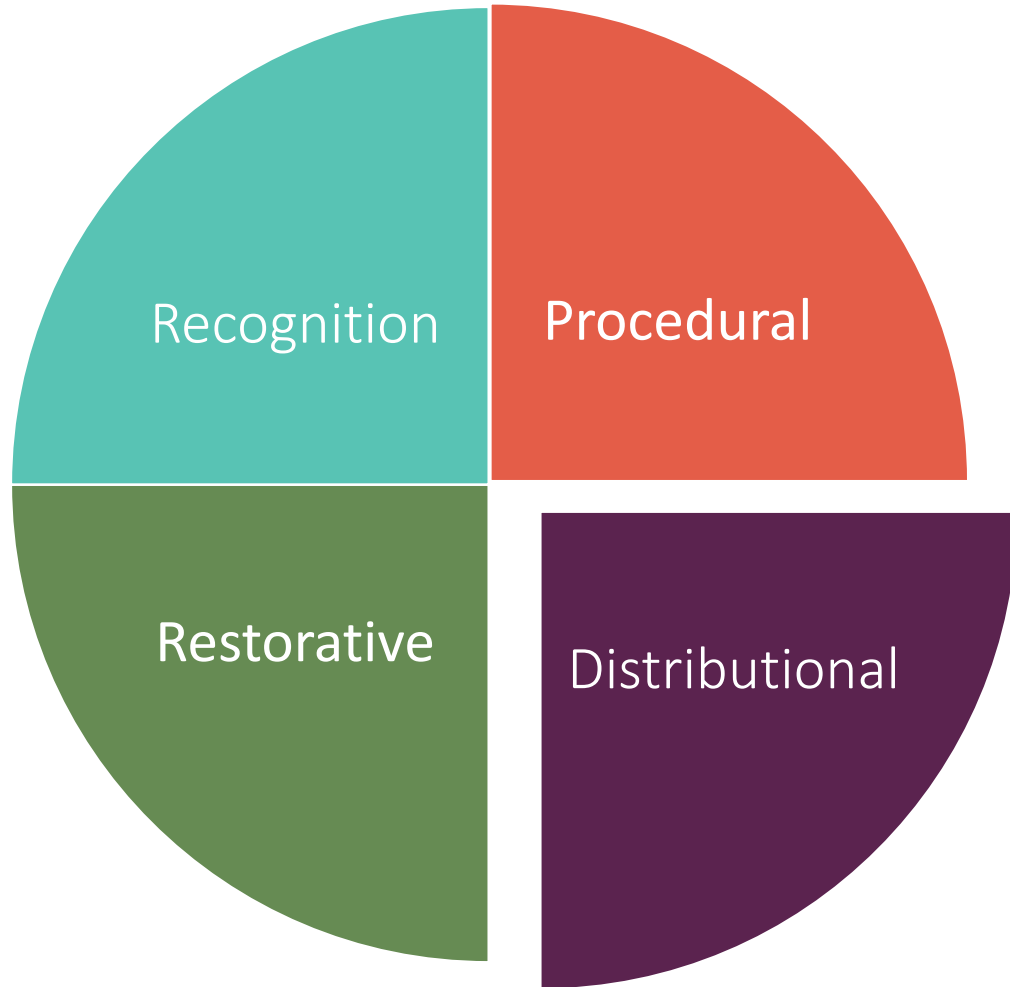
Equity Moment

Glenda Duldulao

EAG Member



Tonight's equity focus



Ensuring Our Reach

To ensure we reach people who are most impacted by injustices, we:

- Listen and partner with community representatives
- Write in simple language
- Design in a way that honors linguistic and cultural traditions
 - Free stock photos:
 - Pexels.com
 - Nappy.co
 - Pixabay.com
 - Free design tools
 - Pictochart
 - Animoto
 - Canva
- Translate and validate
- Allow communities to customize and scale

Facilitator requests

Participants, please:

- Listen to and appreciate the diversity of views and opinions
- Actively participate in the group
- Behave constructively and courteously towards all participants
- Respect the role of the facilitator to guide the group process

Observers, please:

- Respect the Equity Advisory Group's time to discuss meeting topics

YouTube livestream and Public Comment for observers

Public Comment

- The public comment period will start at 7:00 p.m.
- Instructions to join will be presented during break.
- **Please do not join the meeting until then.** The first 5 individuals will have 2 minutes each to speak.

Livestream

- Observers can watch the meeting through the YouTube livestream link.
- Prepare to provide your verbal comments during the observer comment period on the agenda.

Agenda

5:00 p.m. – Welcome

5:10 p.m. – PSE and EAG Updates

5:30 p.m. – IIJA Grant Application and EAG endorsement

6:00 p.m. – BREAK

6:05 p.m. – Multi-tenant solar concept and Commercial batteries

6:55 p.m. – Next steps

7:00 p.m. – Public Comment

Objectives

- Receive relevant updates from PSE and EAG committees
- Review IIJA Grant Application and EAG endorsement
- Overview of Multi-Tenant Solar Concept and refresher on Commercial Batteries

PSE and EAG updates

Troy Houston
Director Energy Equity, Energy Equity

Jenny Harding, TJ Protho, Xi Wang
EAG Members



PSE and EAG updates

Energy Equity Team

EAG Steering Committee

Green Power Solar Grant

**Rose
Farewell**

Infrastructure Investment and Jobs Act (IIJA) Grants

Kassie Markos

Manager, Public Policy & Public Funding

Nathan Davern

Manager, Federal & Tribal Gov. Affairs



Background

Previous EAG update in March 2023 which provided:

- Explanation of the bill and grant process
- Updates on grid resilience and grid modernization opportunities PSE pursued in 2023; final review of those opportunities
- Feedback and letter of support

- *Bipartisan Infrastructure Law* (“BIL” or “IIJA”) signed into law in Nov. 2021
- \$1.2 Trillion investment in infrastructure; \$70 billion in energy infrastructure
- DOE to award \$4 billion in funding through the Grid Resilience and Innovation Partnerships (GRIP) Program – GRIP Round 2

Our Goals: Round 2 (2024)

Goals for pursuing IIJA grants

- Improve outcomes for customers with a focus on equity
- Partner on broader grid modernization initiatives that strategically align with our clean energy and reliability priorities
- Meet Justice40 Initiative in letter and spirit

Preferred outcome

Maximize award amount while achieving all three goals

PSE Skagit River Valley Transformation for Climate Resiliency

- Proposed \$70M (\$35M grant match) investment to create a region of **reliability, resiliency and energy security** serving federally-designated **Disadvantaged Communities (DACs) and Tribal Communities** in the Skagit River Valley susceptible to high flood and wildfire risk
- Project benefits for customers:
 - **Increased Reliability:** Customer outage minutes will be saved/avoided
 - **Faster Response Times to Outage Events:** More visibility for PSE and first responders to react quickly to outage events and wildfires
 - **Improved Restoration Capability:** Power will be more reliable and resilient including in extreme events via technology additions (microgrid and black-start capabilities)

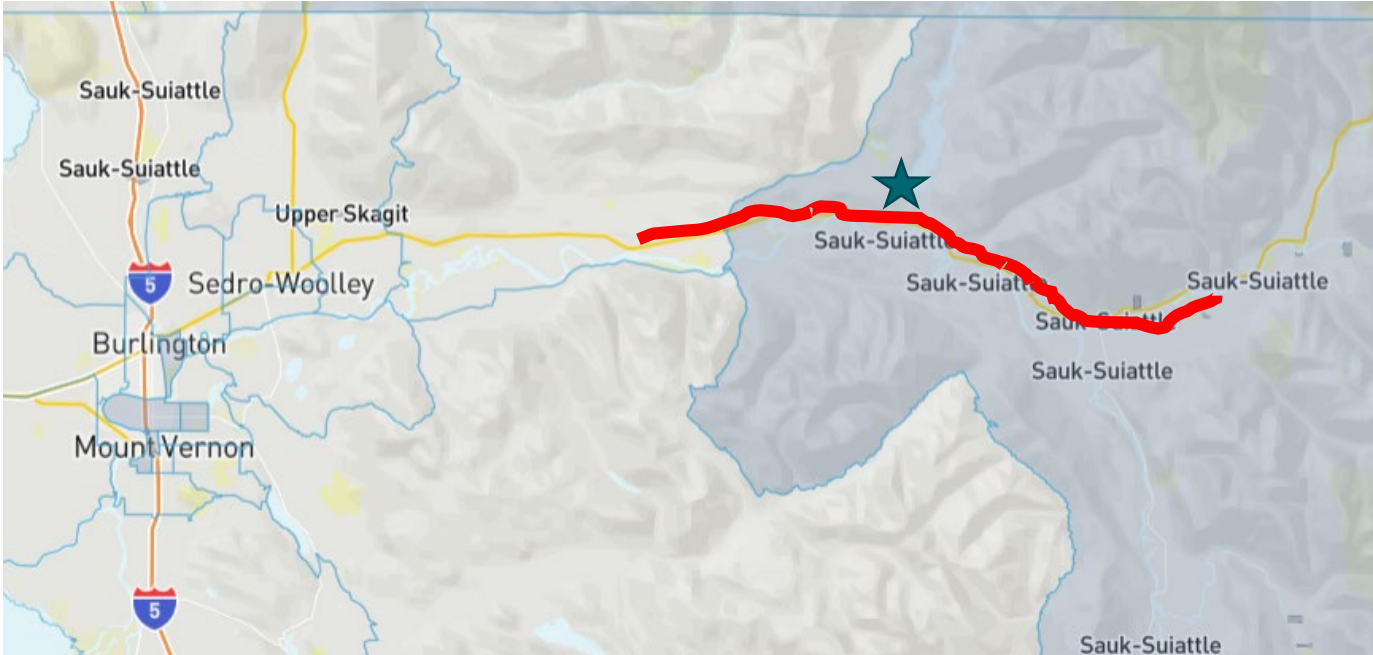
PSE is partnering with:

- **Tribal Communities:** Upper Skagit, Sauk-Suiattle, Swinomish
- **Community Benefit Organizations:** Community Action of Skagit County, Concrete Food Bank
- **Emergency Management:** American Red Cross of NW WA, WA Department of Natural Resources, Local First Responders

What value does it bring to the community?

- Grid awareness and safety for DAC anchor institutions
- Work opportunities for tribes and regional workforce
- Partnership with CBOs and Tribes to ensure direct project benefits and championing of culturally significant lands and values

Project Location



Climate & Economic Justice Screening Tool:

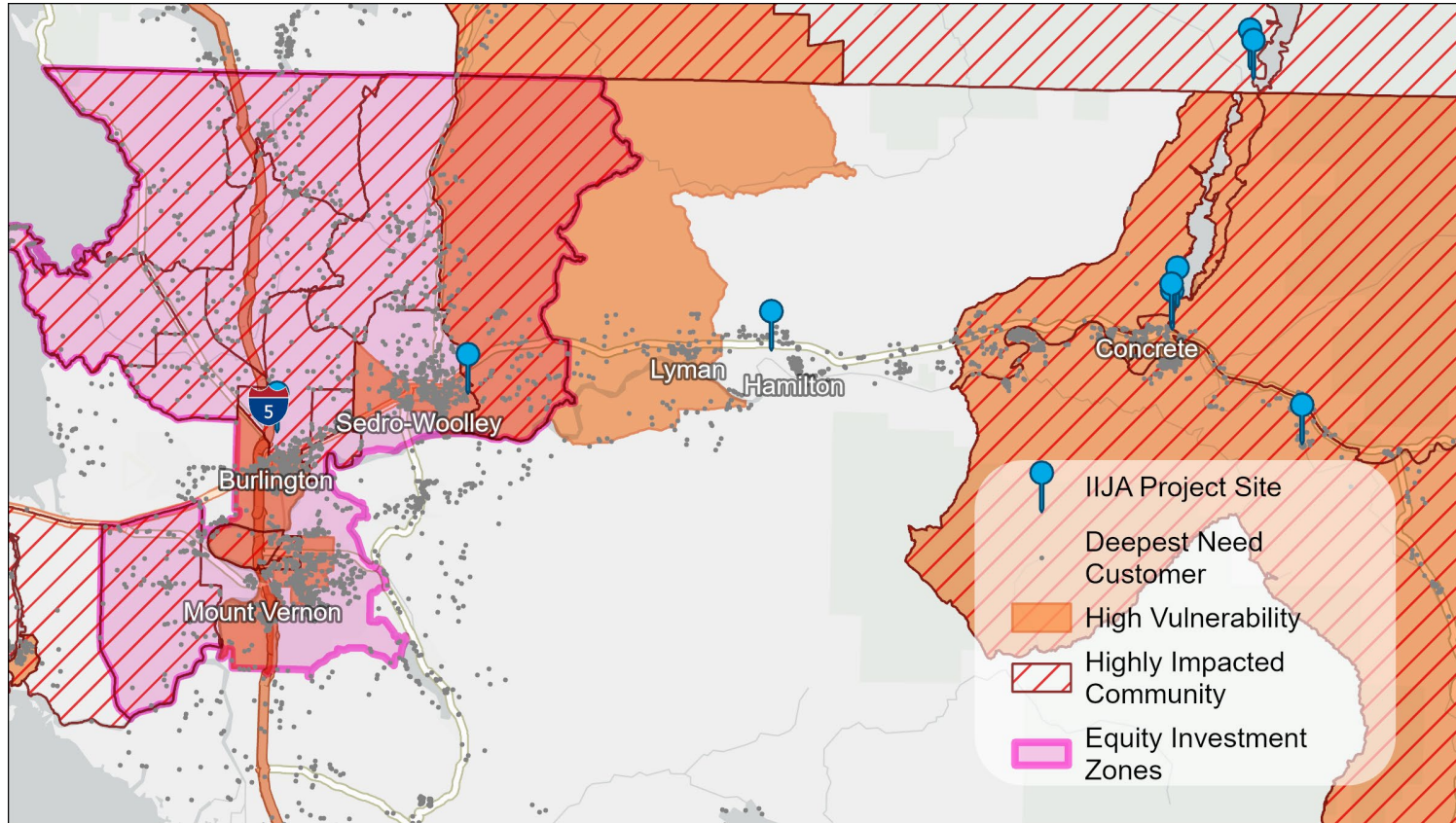
- **95th percentile:** projected flood risk
- **94th percentile:** fatalities and injuries resulting from natural hazards each year
- **72nd percentile:** projected wildfire risk
- AND -
- **Above 65th percentile:** People in households where income is less than or equal to twice the federal poverty level

- PSE used the Federal **Climate & Economic Justice Screening Tool** to identify a project location to deliver 80% benefits to federal DACs
- Federal funding for this project would **deliver benefits for DAC communities** that would not otherwise realize it because of:
 - Low customer count (approx. 2,128)
 - Project economics
 - Other high risk areas, high priority areas on the system

**Map shown is for illustrative purposes; exact locations subject to change*



Map-Deepest Need, Vulnerable population, EIZ



Approximate project sites have been placed on map with layers:

- Deepest Need Customers
- High Vulnerability
- Highly Impacted Community
- Equity Investment Zones

• Map shown is for illustrative purposes; exact locations subject to change

Next step: Seeking EAG assistance

Immediate

- A Letter of Support
- Recommendations for expanding our engagement (names, CBOs, etc.)

Long term

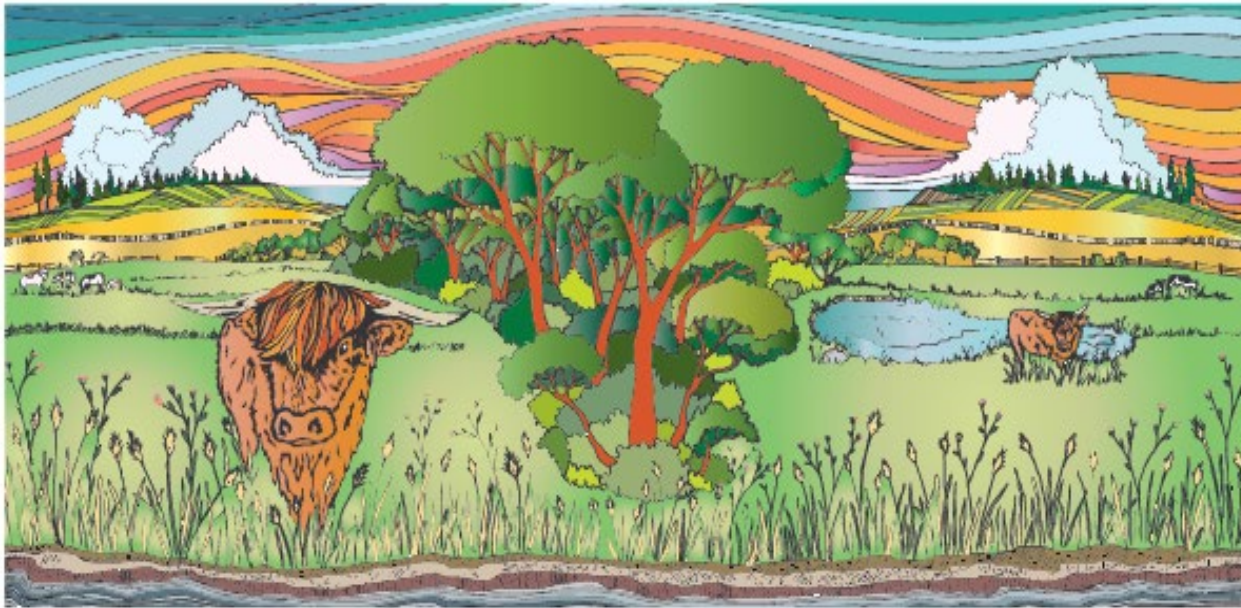
- Continual engagement with the Skagit Valley River grant

IIJA GRIP Grant Timeline:

- Application due date: 4/17/24
- Award announcement: Fall 2024

Break

Please return at 6:05 pm



"Farmscapes" by Tia Savedo of Whidbey Island, WA

The public comment period will start at 7:00 p.m.

Please do not join the meeting until then. The first 5 individuals will have 2 minutes each to speak.

1. Join the Zoom meeting:
 - a) Visit <https://zoom.us/join>
 - b) Insert Meeting ID: 819 5803 4613
2. Call in to the meeting:
 - a) Call number: +1 253 215 8782
 - a) Insert Meeting ID: 819 5803 4613

Commercial Battery Energy Storage Systems

Anne Marshall
Strategy Development Manager



Commercial battery program vision

Provide commercial customers an offering to increase their resiliency and contribute to their clean energy goals while providing capacity to the grid

Customer benefits

- Back-up power during outages
- Compensation for PSE's use of battery capacity
- Demand charge reduction possibility

PSE benefits

- Capacity resource
- Distribution equipment upgrade deferral



Battery benefits and barriers for commercial customers

Benefits

- Personal and community energy resiliency
- Ability to store renewables when paired with solar
- Reduced utility bills and/or revenue stream
- Energy independence
- Participation in clean energy transition

Barriers and concerns

- Upfront and maintenance costs
- Available space
- Installation concerns
- Administrative barriers and limited staff capacity
- Safety concerns
- Cyber-security concerns
- Environmental impacts of a battery's lifecycle

Equity-focused customers

Who qualifies?

- CBOs, tribal entities, and government agencies who serve named communities (e.g. food banks, community centers, etc.)
- Priority for resiliency hubs and Deepest Need areas

How will we mitigate barriers and concerns?

- Up-front cost: higher incentive levels and calculators showing the lifecycle financials
- Installation concerns: referrals to Recommended Energy Professionals to act as trusted advisors throughout the process
- Environmental impacts of a battery's lifecycle: provide education resources and recycler contact information
- Safety and cybersecurity concerns: provide education resources and follow industry best practices

Feedback and Next Steps

Feedback

- Do you have any concerns or suggestions for improvement on the current approach?
- What populations would you prioritize for the equity incentive?

Next Steps

- Score and select product concept
- Product design and development, and tariff filing
- EAG review of customer journey
- Product launch

Multi-Tenant Solar

Sam Duncan

Product Development Manager

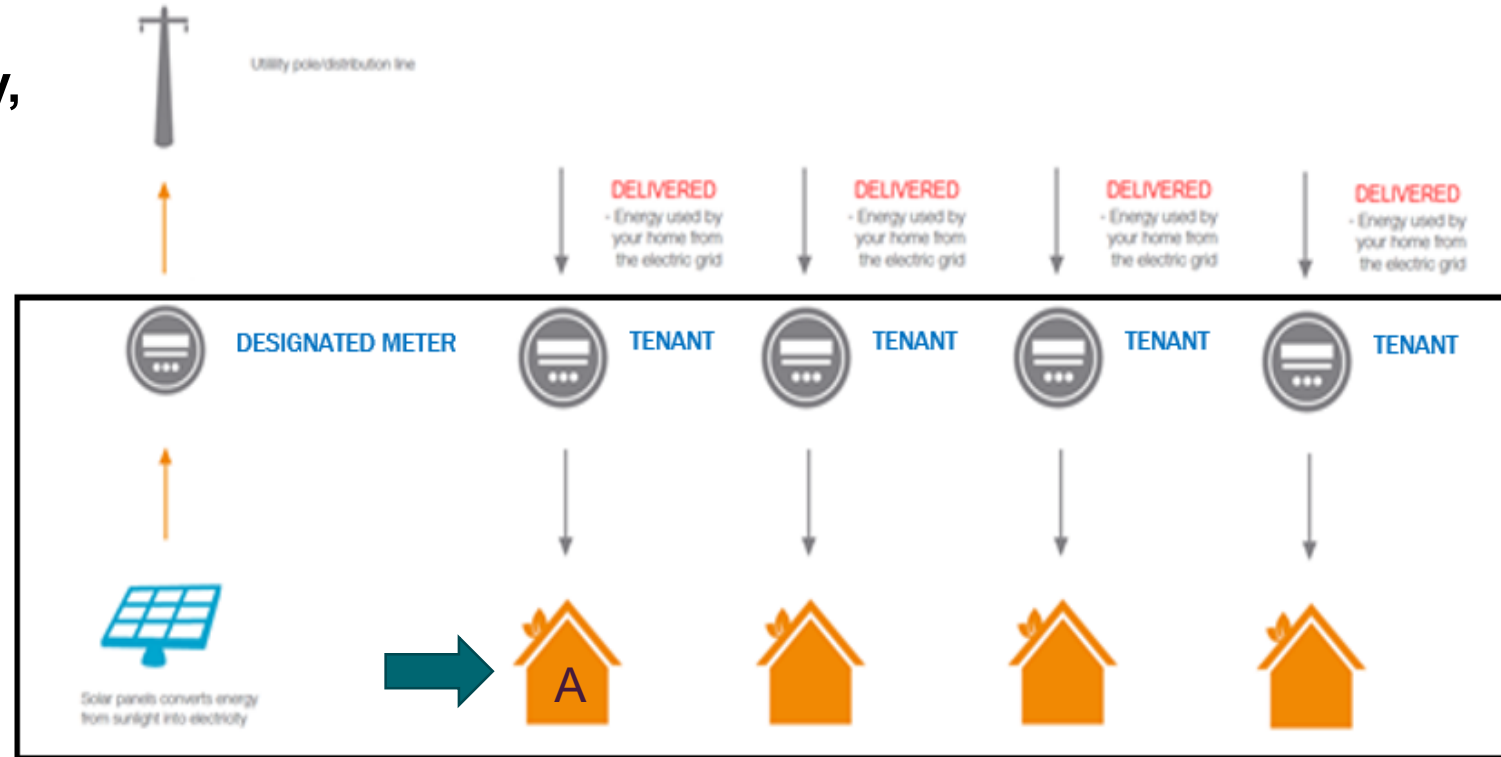


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What is Multi-Tenant Solar?

Solar can be installed behind a single meter at a multi-tenant facility, with a percentage of the exported energy allocated to designated tenant accounts.

General Participant Example:
Solar Array is 10 kw, produces ~10,000 kwh/yr (\$671 of annual credits or \$168/unit). Landlord designates 25% of output to each unit (100% total)



Example 4 unit apartment

On a given bill, Tenant A receives on bill credits for their allocation.

Benefits and Impacts

Arrangement for a solar energy system at a multi-tenant (same or contiguous) property to **assign and transfer** meter output's **energy credits** onto **multiple tenant's electric bills**.

Discussion Topics	PSE actions / outcomes
Intended outcomes	<ul style="list-style-type: none">• Benefits flow to tenants• Individually metered properties• Improve renter's access to energy benefits of solar• Encourage local clean energy projects
Equity options considered	<ul style="list-style-type: none">• Provide additional value to tenants• Upfront assistance to customer generators• More credits on tenant bills• Promoting available funding resources (federal and state)

Q: Is this equitable (CBIs)? Can you identify issues with the approach?

Marketing

Discuss tactics to increase awareness and adoption resulting in intended outcomes

Discussion topics	Options
Target Market	<ul style="list-style-type: none">• CBOs, tribal entities, and government agencies who serve named communities (e.g. housing authorities, community centers, etc.)• Housing Authorities• Landlord-tenant arrangements<ul style="list-style-type: none">• Multi-family landlords• Commercial property
Targeted marketing tactics	<ul style="list-style-type: none">• Create ambassadors with first participants• Be intentional with outreach planning• Market programs to landlords and ask them to support

Q: Do you have any suggestions on how to enhance this marketing approach?

Next steps

- Meeting follow-up & action items

- No meetings in April!
- Next EAG meeting on May 21st, 5-7 p.m.

Public comment period



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Public comment – how to join

The first five individuals will each have 2 minutes to speak.

There are two ways to join.

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Option 2: Call-in by phone

- a) Call number: +1 253 215 8782
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Appendix