

Equity Advisory Group Meeting

May 18, 2026 – Hot Sheet



Topic	Topic Primer
<p>Solar Grant Program Presenter: Mackenzie Martin, Clean Energy Product Manager - Equity</p>	<p><u>Why is this topic being presented to the EAG?</u> PSE's Solar Grants program provides funding to community-based organizations, government agencies and Tribal entities to support on-site solar installations that reduce energy bills and allow these recipients to reinvest those savings into the communities they serve. For the past four years, EAG members have been directly involved, helping select projects for funding and providing input on the overall grantmaking process. This will make year five.</p> <p><u>What will you be asked to advise on?</u> PSE is seeking up to five EAG members to serve on the 2026 review panel to evaluate and select applications to fund. Past participants may share about experience as panelists EAG members may support outreach to eligible organizations in your communities</p> <p><u>Key Terms & Acronyms You Will Hear</u> Solar Grants: Annual PSE funding program for solar installations at qualified community-serving organizations. On-site Solar: Solar panels installed directly at an organization's facility</p> <p><u>Relevant context & details</u> EAG participation in the Solar Grant Project is voluntary, paid and not required by regulators. Details about the Solar Grant program are included in CEIP compliance updates. More information on the program: Solar Grants</p>
<p>High Energy Burden Elimination Strategy Presenter: Troy Hutson, Energy Equity Director Support: Kelima Yakupova, Regulatory Policy</p>	<p><u>Why is this topic being presented to the EAG?</u> PSE is proposing a major shift in how we approach equity: alongside the current focus on deploying energy technology, we are looking at approaches that are more responsive to community needs, using high energy burden elimination as a main guide for decisions. PSE has identified three key strategies: rate design innovations, prioritizing energy assistance, and community-scale infrastructure investments. This session launches a collaborative engagement with the EAG, as part of PSE's procedural justice commitments, to build a strong approach for high energy burden elimination as the key strategy to an equitable energy transition.</p> <p><u>What will you be asked to advise on?</u></p> <ul style="list-style-type: none"> • This meeting launches an ongoing collaborative effort that will support regulatory recommendations on specific programs or rate structures. • Priority Setting: Consider which high energy burden reduction strategies could be prioritized and which community needs require more immediate action versus longer-term planning.

- Procedural Justice Foundation: Discuss what "meaningful collaboration" looks like and how PSE's engagement process (especially with the EAG) can guide energy burden elimination efforts

Key Terms & Acronyms You Will Hear

Energy Burden (EB): Share of annual household income used to pay home energy bills; EB greater than 6% = "high energy burden" or "energy-burdened;" EB greater than 10% = "severe energy burden."

Low-Income (LI): means household incomes that do not exceed the higher of eighty percent of area median household income or two hundred percent of the federal poverty level, adjusted for household size.

High Vulnerability Population (High VP): Census block groups with high levels of vulnerable populations, as identified with the EAG in the Clean Energy Implementation Plan. Vulnerable populations are communities facing greater cumulative risks from environmental burdens due to socioeconomic challenges (like unemployment, high living costs, limited access to food and healthcare, and language barriers) and health sensitivities (such as low birth weight and higher hospitalization rates).

Highly Impacted Communities (HIC): Areas identified by WA Dept. of Health as facing high environmental and health risks or located on tribal lands. Census tracts scoring 9 or 10 on a cumulative impact scale are included.

Electric Deepest Need Areas: Areas with the highest concentrations of customers spending 10%+ of their income on electricity, identified through spatial analysis of severe energy burden clusters.

Rate Design/Rate Structure: How PSE sets different rates for different types of customers (residential, business, industrial) and different usage patterns; all rates must be approved by the WUTC.

TOU (Time-of-Use): Rate structure allowing customers to save money by shifting energy use to off-peak hours

BDR (Bill Discount Rate): PSE's income-qualified discount program offering 5-45% bill reductions

Capital Planning: Utility's process for identifying, prioritizing, and budgeting long-term infrastructure investments (substations, power lines, equipment upgrades); requires regulatory approval to recover the cost of these investments through customer rates

Relevant context & details

Legal/Regulatory Requirements: CETA requires 30% of clean energy benefits go to named communities and suggests (but doesn't mandate) prioritizing energy assistance for households with higher energy burden. PSE must achieve carbon-free electricity by 2045 while maintaining reliability and affordability. CETA Section 120 on Energy Assistance requires analysis of energy burdens and biennial utility reporting on energy assistance and energy assistance need to the Department of Commerce.

Commission Expectations: UTC has ordered PSE to integrate equity into capital planning, conduct distributional equity analyses, and demonstrate meaningful community benefits. Performance-Based Ratemaking metrics now include energy burden and assistance program participation.

Community Feedback: Five years post-CETA, communities still ask "How has this affected my energy burden? My community?" EAG has consistently emphasized affordability and requested tangible, visible community outcomes. This strategy represents

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	PSE's response to consistent EAG feedback that utility work should focus on "helping people who are truly in deepest need" alongside technology deployment.
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The slide deck and agenda are available on the [website](#).

Additional questions or concerns? Please reach out to EAG@PSE.com

Frequent Acronyms & Key Terms

PSE's Energy Glossary is [here](#).

Relevant Policy & Legislation

WUTC or UTC (Washington Utilities and Transportation Commission): The state agency that regulates investor-owned utilities in Washington, setting rates and ensuring companies follow state energy laws.

CETA (Clean Energy Transformation Act): Passed in 2019 and commits WA state to a carbon-neutral electric supply by 2030 and 100% clean electricity by 2045 (RCW 19.405).

CCA (Climate Commitment Act, "Cap and invest"): Passed in 2021, state law that seeks to reduce greenhouse gas emissions from the largest emitting sources and industries, to work towards the state's greenhouse gas limits set in state law, through a market-based carbon allowance compliance cap-and-invest program. (RCW 70A.65)

HB 1589 (Decarb Bill for Large Combined Investor-Owned Utilities) – passed in 2024, it streamlines the planning processes by requiring PSE to prepare a first in the nation Integrated Systems Plan (ISP), to support the future energy choices of our customers in alignment with the Washington state's clean energy goals.

Energy Equity Tenets: Identified by the University of Michigan [Energy Equity Project](#) and adopted by the Washington Utilities and Transportation Commission in [Docket UG-210755, Final Order 09](#), they are: Recognition Justice, Procedural Justice, Distributional Justice, and Restorative Justice.

PSE Terms

ISP (Integrated System Plan): a plan that considers gas and electric systems as a whole, which includes electric integrated resource plan (IRP), gas integrated resource plan, transportation electrification plan (TEP), and clean energy implementation plan (CEIP).

CEIP (Clean Energy Implementation Plan): PSE's detailed plan for achieving CETA requirements and clean energy goals. The CEIP is essentially the clean energy details of the larger ISP.

Named Communities (NCs) are a combination of Highly Impacted Communities and Vulnerable Populations – High.

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Highly impacted communities (HICs) are areas identified by the Washington State Department of Health as facing high environmental and health risks or located on tribal lands. Census tracts scoring 9 or 10 on a cumulative impact scale are included.

Vulnerable populations (VPs) are communities facing greater cumulative risks from environmental burdens due to socioeconomic challenges (like unemployment, high living costs, limited access to food and healthcare, and language barriers) and health sensitivities (such as low birth weight and higher hospitalization rates). Methodology was identified with the EAG and described in PSE's Clean Energy Implementation Plan.

Customers and communities with deepest need are those living in areas identified as clusters of severe energy burden (energy burden greater than 10%) and multiple compounding factors hindering the ability to access adequate resources

Energy Burden (EB): The percentage of annual household income spent on total annual energy bills (electric, gas, and other heating fuels). Higher percentages indicate greater financial stress from energy costs.

Energy Burden Analysis (EBA): PSE's annual analysis to estimate its low-income customers, customers' energy burdens pre- and post-energy assistance, and PSE's energy assistance need.

Community Terms

CBO (Community Based Organizations): Community-led groups that serve local communities and understand their unique needs.

IAP2 Terms

- **Inform** - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities, and/or solutions.
- **Consult** - To obtain public feedback on analysis, alternatives and/or decisions.
- **Involve** - To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.
- **Collaborate** - To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.
- **Empower** - To place final decision making in the hands of the public.

Suggest new acronyms/terms you'd like to see on the hot sheet list by emailing them to EAG@pse.com