

Embedding Equity into Program Design

PSE's Ongoing Journey

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*PUGET
SOUND
ENERGY*

Puget Sound Energy

- Headquartered in Bellevue, Washington
- Serving 11 Counties in Washington State
- 1.1 million Electric Customers
- 725,000 Natural Gas Customer





We recognize that racism and systemic inequity have caused some communities to be disproportionately impacted by the climate crisis.

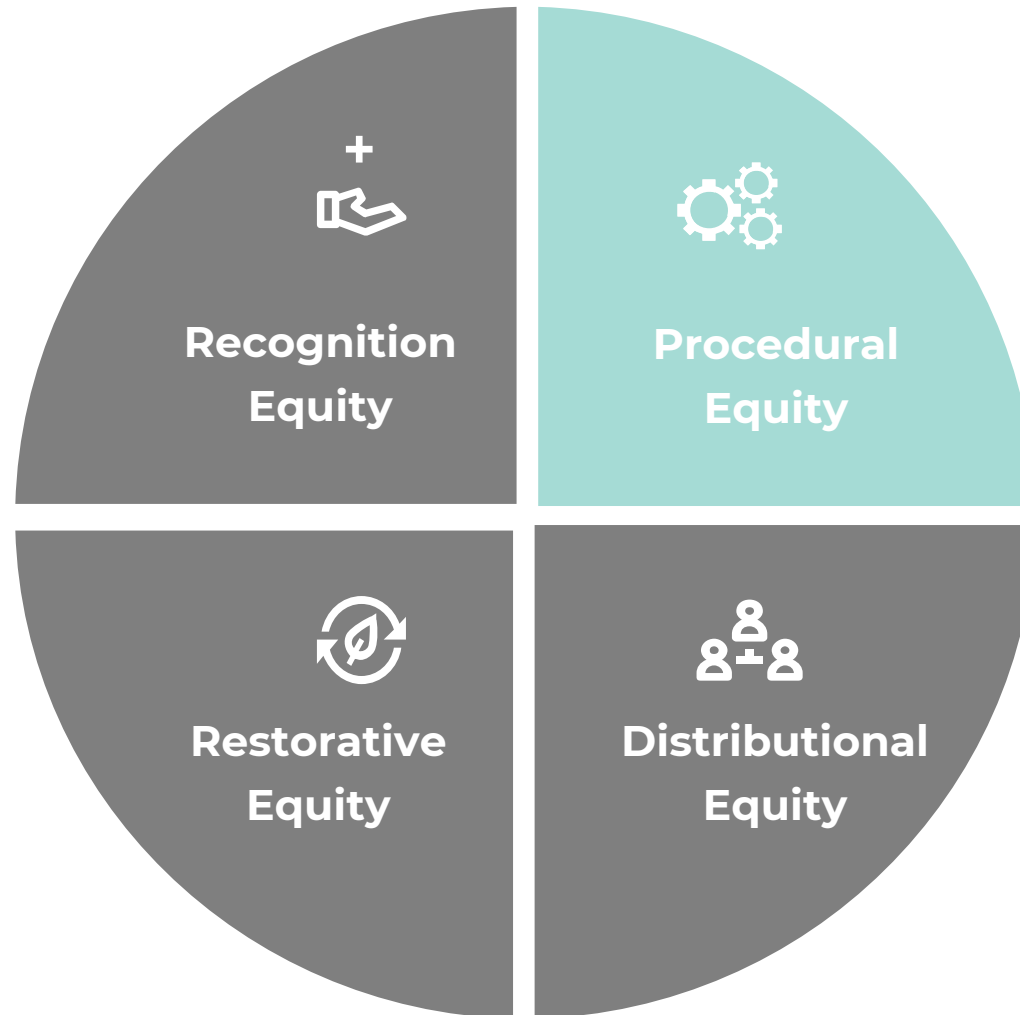
As we work toward our clean energy future, we must ensure all of our customers — especially those who shoulder an outsized share of the climate burden — help shape and benefit from the transition to clean energy.

We are guided in this effort by our Equity Advisory Group.

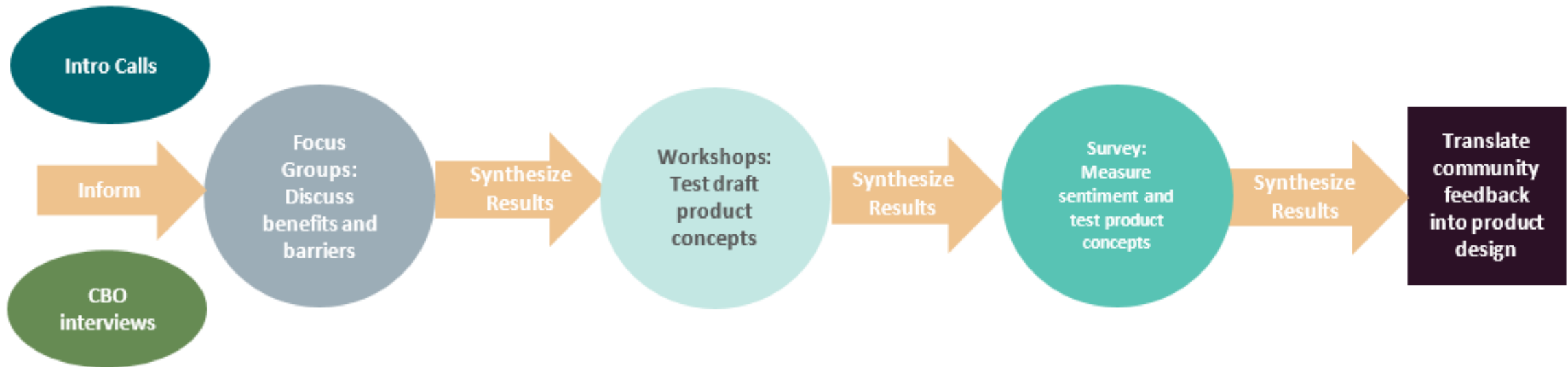
Learn more at cleanenergyplan.pse.com/#EAG



PSE is working to ensure historically underrepresented communities have a seat at the design table for future clean energy products



Community engagement for equity-focused program design



Who did we engage?



Over 300 residential customers in PSE's electric service area with a priority on:

- Black, Indigenous, and other People of Color (BIPOC) communities
- Limited English proficiency community members
- Low-income households
- Rural communities



Over 60 commercial customers in PSE's electric service area who serve the aforementioned residential customers, including:

- Non-profits
- Tribal entities
- Government agencies
- Municipalities
- Small businesses

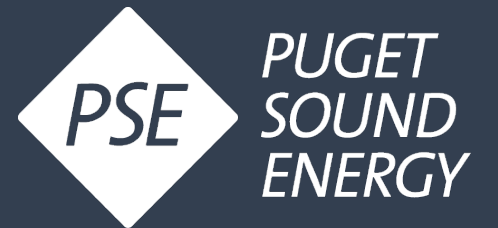
What did we learned?

- Cost
- Installation and maintenance support
- Flexibility of products
- PSE-owned and customer-owned options
- Strong motivation to participate in DERs
- Education and outreach

The collage consists of several overlapping document pages with various text boxes and headings. Key sections include:

- Puget Sound Energy (PSE) Distributed Energy Resources, GPSG Focus Group** (Top left)
- Audience and Users** (Top right)
- Application Accessibility** (Middle left)
- Community solar** (Middle right)
- Workforce Development** (Bottom right)
- Ownership/Maintenance** (Bottom middle)
- Batteries** (Middle left)
- Environmental benefits** (Bottom left)
- What barriers/challenges did you encounter when installing solar?** (Bottom middle)

Case study: Community Solar




Community Solar at a glance

An aerial photograph showing a large building with a flat roof covered in rows of solar panels. To the left of the building is a green sports field with a red running track. The background shows a wooded area with trees in shades of green and yellow.

- Projects on privately owned property generating energy to benefit surrounding community
- Participants receive energy from a specific solar project
- \$0/share for income eligible customers
- Participants receive a set monthly credit and a one-time per year true-up based on actual generation

Community engagement findings, specific to Community Solar

 Over 85% indicated interest in enrolling in Community Solar

 'Community energy resilience' and 'Taking action to reduce climate change' were most important to customers. Beyond that, they ranked 'reducing my energy bills' above 'subscribing to a project that is close to where I live'

! Potential barriers to enrolling included:

1. Any upfront subscription costs
2. Wanting to install solar on their own property instead
3. Difficulties using a website to sign up

\$ A monthly on-bill credit of \$50 would encourage more customers to enroll in Community Solar

 58% of customers preferred monthly bill credits over quarterly or annual credits

Planned changes as a result of community engagement

| | Current | Proposed | Why? |
|---|--|---|---|
| Expand eligibility criteria | Households at or below 200% FPL | 200% FPL or 80% AMI, whichever is higher | Aligns with other income-eligible programs and expands access |
| Expand funding for income-eligible shares | Prescriptive funding sources | Allow program to access funds from additional sources as they become available | Enables PSE to provide more no-cost shares for income-eligible customers |
| Update credit calculation | Energy credits are equal to \$0.045 per kWh | Update energy credit annually to better align with energy costs and CETA values | Current credit is static and derived from an outdated calculation |
| Update participation value | Limited to one share per household. Valued at \$7-11 per month | Increase limit to two shares, valued at \$14-22/month | Lowers customer bills and a higher value may result in increased enrollment |

Questions?

