



How can EWEB's IRP incorporate diversity, equity, and inclusion?

EWEB's Integrated Resource Plan will help us select resources for the next 20 years.

EWEB's Integrated Resource Plan (IRP) is a long-term planning process to evaluate the community's future electricity needs and determine which energy resource options might be the best fit within the context of our organizational values. The IRP combines analysis and modeling results with public involvement to inform the timing of resource acquisition needs and identify lowest-cost alternatives for EWEB's future power portfolio over a 20-year time horizon. The results of the IRP will guide the utility as we make long-term, strategic decisions about our future energy supply.

The IRP is intended to incorporate community values.

EWEB's Board of Commissioners set our organizational values of safety, reliability, affordability, environmental responsibility, and supporting a strong community/culture. The value of community/culture states that EWEB values a culture of intentional actions and outcomes, continuous improvement, and diverse perspectives; a culture that is trustworthy, respectful, equitable, and inclusive to employees and community members. We are dedicated to public service and local governance, and we have a commitment to serve our community honestly and with integrity.

These values are core parts of the IRP analysis and process. For example, the IRP analysis requires an energy resource portfolio that can *reliably* and *safely* meet our peak winter needs – the most difficult time of the year to provide sufficient energy for our community. Similarly, consistent with Board *environmental* policy (SD15), EWEB's portfolio must be 95% carbon-free. Within these constraints, the IRP is intended to bring forward least-cost options that promote *affordability*. The IRP also seeks to actively engage with our *community*.

What is Diversity, Equity, and Inclusion (DEI)?

Diversity means honoring and including people of different backgrounds, identities, and experiences. It emphasizes the need for sharing power and increasing representation of communities that are systemically underrepresented and under-resourced. An individual person is not diverse; a person is unique. Diversity is about a collective or group and exists in relationship to others. A team, an organization, a family, a neighborhood, a community can be diverse. A person can bring diversity of thought, experience, and traits, seen and unseen, to a team.

Equity is promoting justice, impartiality, and fairness within the procedures, processes, and distribution of resources by institutions or systems. Tackling equity issues requires an understanding of the root causes of outcome disparities within our society. Equity is different than equality in that equality implies treating everyone as if their experiences are the same. Being equitable means acknowledging and addressing structural inequalities – historic and current – that advantage some and disadvantage others.



Inclusion is intentionally designed, active, and ongoing engagement with people that ensures opportunities and pathways for participation in all aspects of a group, organization, or community, including decision-making processes. Inclusion is not a natural consequence of diversity. There must be intentional and consistent efforts to create and sustain a participative environment.

How could concepts of DEI relate to EWEB’s IRP?

EWEB is learning how to layer DEI principles into our customer values and ongoing project work, including our IRP. At the highest level, this could include formally demonstrating our organizational commitment to this work and evaluating DEI impacts and opportunities on people (both internal staff and external stakeholders) and organizational structures (such as contracting, budgeting, project communications, data collection, and analysis). Engaging in this process could help EWEB answer the following types of questions:

- Do EWEB staff have the required training and knowledge to be able to bring concepts of diversity, equity, and inclusion into all aspects of the IRP scope, schedule, and budget? If not, what opportunities exist to build or augment this capacity?
- Who is impacted by the decisions that are informed by the IRP? Are there any disparate impacts on different populations? How can this be measured? What mitigation opportunities exist?
- How is the project team communicating with the public about the IRP? Is communication and outreach equitable and are diverse voices able to be heard and welcomed? How are partnerships being built over time?
- What kinds of impacts or opportunities might result from different resource investment decisions? How are equity impacts included in the Aurora modeling software’s data and assumptions?

For the IRP, DEI addresses:

- **Who is in the ‘room’ to inform values and interests.**
- **How those values are incorporated into decisions.**

IRP analysis is a tool to inform EWEB’s resource decisions. To make those decisions, EWEB will need to weigh the tradeoffs between resources and understand how these will impact different customers. There are two broad pieces to this tradeoff discussion. First is the **outreach and engagement process** EWEB conducts to ensure that all perspectives in the community are heard. Second is the actual **decision-making process** that incorporates these perspectives to inform which resources to pursue and acquire. We will need to consider both of these aspects in order to effectively incorporate DEI into our IRP and resource decisions.

EWEB has begun by studying what other utilities have done in this space and we seek to bring established best practices into our work. Recent interviews and research with groups like Puget Sound Energy, Seattle City Light, Snohomish PUD, and Portland General Electric have provided examples of work such as:

- **Assign each portfolio a social equity score.** Some utilities have begun to score potential energy resource portfolios based on DEI principles. When evaluating energy resource portfolio options, utilities have begun to assign a qualitative DEI score to each portfolio, to make clear how it does or does not align with the organization’s DEI values.



Rely on us.

- **Evaluate local programs and incentives for DEI opportunities.** Because local incentives and programs impact individual businesses or families in our community, these offer an opportunity for EWEB to use DEI criteria to inform decision making. A DEI approach to local measures will consider the types of people who have access to each measure and who will benefit from, or pay for, implementation. Some local programs might better align with EWEB’s power supply needs, while others might meet equity considerations. Others might do both.
- **Examine rate structures to ensure they align with DEI values.** Certain rate structures – such as solar net metering – have the potential to create cross subsidies in which one set of customers subsidizes the energy use of another. Some utilities have begun examining rate structures to avoid the unintentional outcome of low-income customers subsidizing the energy use of high-income customers.

EWEB’s Roadmap to a Board-level DEI Policy in 2023

Based on Board discussions started in 2022, and in support of EWEB’s 2023 Organizational Goal #2, Workforce and Culture (see box), EWEB’s Board of Commissioners and Management have committed to developing a guiding Board Policy focused on issues of Diversity, Equity, and Inclusion (DEI). This Board-level DEI Policy will include five components:

2023 Organizational Goal #2, Workforce and Culture:

“Build and inspire a workforce and a workplace culture to fulfill ongoing business obligations and strategic initiatives **in alignment with our organizational values** by evolving our Dynamic Workforce Model (mobile/hybrid work opportunities), integrating a new IBEW Collective Bargaining Agreement (electrical workers union), using the results of a comprehensive employee survey to continuously improve our employees’ work experience, and **working with the Board of Commissioners to develop and deploy policies that will weave principles of DEI (diversity, equity, and inclusion) and resiliency into our work.**”

- Rationale/Vision: Why is it important for EWEB to have a DEI Policy? What is EWEB’s aspiration or commitment?
- Purpose: What is the objective (or primary use) of the DEI policy?
- Definitions: What terms are included in this policy and how does EWEB define them?
- Directives: In what areas could, would, or should EWEB focus?
- Transparency, Reporting and Accountability: How will EWEB collect feedback, metrics, and track progress in these areas?

EWEB plans to adopt its DEI policy by December 2023. Along the way, EWEB’s Board, Executive Team, and Diversity Team will participate in DEI training sessions in June 2023. This Policy and educational work is foundational to outline EWEB’s focus areas. By engaging in this foundational work in 2023, EWEB will be able to more fully incorporate concepts of DEI in a structured and systematic way into the 2025 IRP process.