



ENABLING ROBUST STAKEHOLDER ENGAGEMENT AT PUBLIC UTILITY COMMISSIONS

NARUC CENTER FOR PARTNERSHIPS &
INNOVATION WEBINAR SERIES

SEPTEMBER 24, 2021

ABOUT NARUC

- The National Association of Regulatory Utility Commissioners (NARUC) is a non-profit organization founded in 1889.
- Our Members are the state utility regulatory Commissioners in all 50 states & the territories. FERC & FCC Commissioners are also members. NARUC has Associate Members in over 20 other countries.
- NARUC member agencies regulate electricity, natural gas, telecommunications, and water utilities.



ABOUT NARUC'S CENTER FOR PARTNERSHIPS & INNOVATION

- Grant-funded team dedicated to providing technical assistance to members.
- CPI identifies emerging challenges and connects state commissions with expertise and strategies to inform their decision making.
- CPI builds relationships, develops resources, and delivers trainings.



Regularly updated CPI fact sheet with recent publications & upcoming events under Quick Links at:

<https://www.naruc.org/cpi-1/>

NARUC Center for Partnerships & Innovation

Current Activities

Recently Released Publications

- [Public Utility Commission Stakeholder Engagement: A Decision-Making Framework](#) (Jan. 2021)
- [Private, State, and Federal Funding and Financing Options to Enable Resilient, Affordable, and Clean Microgrids](#) (Jan. 2021)
- [User Objectives and Design Options for Microgrids to Deliver Reliability and Resilience, Clean Energy, Energy Savings, and Other Priorities](#) (Jan. 2021)
- [Understanding Cybersecurity for the Smart Grid: Questions for Utilities](#) (Dec. 2020)
- [Artificial Intelligence for Natural Gas Utilities: A Primer](#) (Oct. 2020)
- [Cybersecurity Tabletop Exercise Guide](#) (Oct. 2020)

Recent Events

- Integrated Distribution Systems Planning: NARUC partnered with DOE national laboratories to deliver a [virtual training](#) in Oct. 2020 on forecasting, control and automation, metrics, resilience, PUC practices, and more. The next session will be held for Western state officials beginning Feb. 26, 2021. *Contact Dominic*
- NARUC-NASEO Task Force on Comprehensive Electricity Planning. Resources developed by the Task Force will be shared in a [virtual workshop](#) on Feb. 11, 2021. Read the [Task Force fact sheet](#). *Contact Danielle*
- National Council on Electricity Policy (NCEP). [Presentations](#) from NCEP's December 2020 Annual Meeting are available as well as an updated [Transmission and Distribution Resource Catalog](#). *Contact Kerry*
- Carbon Capture, Utilization and Storage Workshop Webinar Series. [Recordings](#) are available from a Western Interstate Energy Board- and NARUC-hosted six-part webinar series in Sept. and Oct. 2020. *Contact Kiera*

Available Virtual Learning Opportunities

- Cybersecurity Training for State Regulatory Commissioners: NARUC is hosting a [virtual cybersecurity training](#) on Feb. 23-25, 2021. *Contact Ashton*
- National Council on Electricity Policy (NCEP). [Register](#) for a special session on Exploring Optimization through Benefit-Cost Analysis on Feb. 25, 2021. [Learn More](#) about NCEP. *Contact Kerry*
- Emergency Preparedness, Recovery and Resilience Task Force: The EPRR Task Force will meet Feb. 5, 2021 to discuss BRIC funding with FEMA. *Contact Will*
- Commission Staff Surge Calls. NARUC hosts quarterly calls on which commission staff discuss how different states approach emerging issues in electricity policy. The next call will be held in early Mar., 2021. [Summaries](#) from past calls are available. *Contact Kiera*
- Innovation Webinar Series. NARUC hosts monthly webinars for members and the public. **Mar. 11:** Data for the Public Interest: Empowering Energy Equity. **Apr. 15:** Initiative on Cybersecurity in Solar Projects. **May. 13:** Staffing the Evolving PUC Workforce. [Register and find recordings](#) of past events. *Contact Dominic*

Join us! NARUC hosts four working groups for members:

- [Performance-Based Regulation](#). *Contact Kerry*
- [Electric Vehicles](#). *Contact Jasmine*
- [Microgrids](#). *Contact Kiera*
- [Grid-Interactive Efficient Buildings](#). *Contact Danielle*

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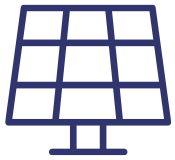
Innovation Webinar

A Decision-Making Framework for PUC Stakeholder Engagement

Jasmine McAdams
Program Officer
NARUC



Moving beyond traditional regulatory processes to address emerging issues



Energy
infrastructure
modernization



Energy system
transition



Energy system
resilience

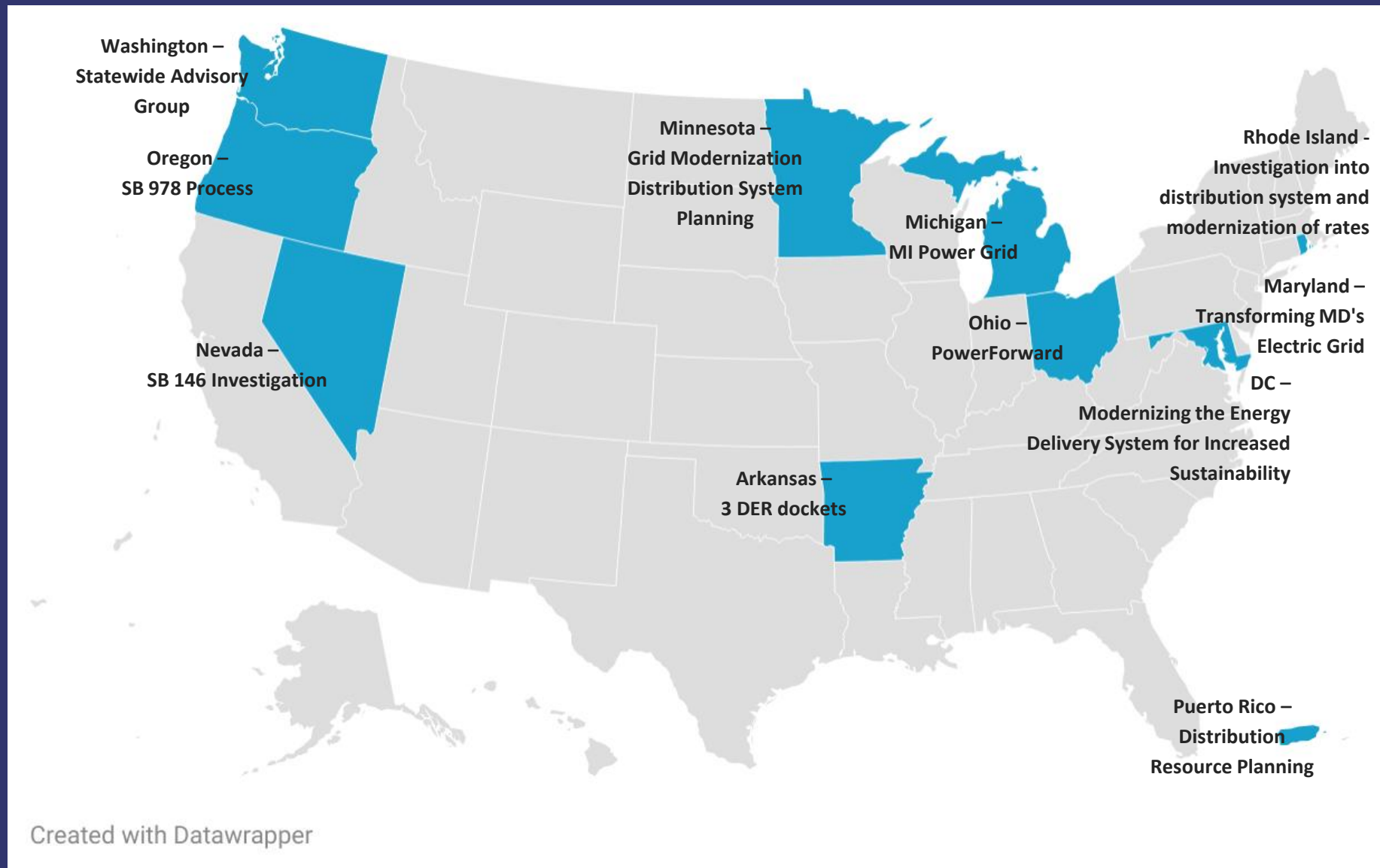


Energy policy
goals



Intersection of
utility
regulation with
other sectors

Examined Processes Across 11 States



The Decision-Making Framework



NARUC
National Association of Regulatory Utility Commissioners

Public Utility Commission Stakeholder Engagement: A Decision-Making Framework



Ja:

Table 2. Examined Proceedings

State Commission	Initiative Title	Initiative Type/ Relevant Issue	Related Dockets
Arkansas Public Service Commission	Three dockets related to DERs	DERs	16-028-U
District of Columbia Public Service Commission	Modernizing the Energy Delivery System for Increased Sustainability (MEDSIS)	Grid modernization	Formal Case No. 1130
Maryland Public Service Commission	Transforming Maryland's Electric Grid (PC44)	Distribution system planning	PC44
Michigan Public Service Commission	MI Power Grid	Grid modernization	U-20645 U-20757
Minnesota Public Utilities Commission	Grid Modernization Distribution System Planning Investigation	Distribution system planning	15-556
Public Utilities Commission of Nevada	Investigation and Rulemaking to implement Senate Bill 146	Utility distributed resources planning	17-08022
Public Utility Commission of Ohio	PowerForward Initiative	Grid modernization	18-1595-EL-GRD 18-1596-EL-GRD 18-1597-EL-GRD
Oregon Public Utility Commission	Senate Bill 978 Stakeholder Process	Grid modernization	—
Puerto Rico Energy Bureau	Distribution Resource Planning	Distribution system planning	—
Rhode Island Public Utilities Commission	Investigation into the Changing Electric Distribution System and the Modernization of Rates in Light of the Changing Distribution System	Benefit-cost framework	4600
Washington Utilities and Transportation Commission	Statewide Advisory Group	EE	UE 171087

Table 3. Summary of Commission Experiences

State and Related Process	Scope	Facilitation Approach	Engagement Approach	Meeting Format	Timeline	Engagement Outcomes and Follow-Up Actions
Arkansas Public Service Commission Dockets related to DERs	• Dockets related to DERs	• Third-party facilitation • LL: Staff recommend clearly defining the role of facilitator vs. staff	• The facilitator reached out to new stakeholders • Facilitator attempted to build shared knowledge • LL: As the facilitator may not be aware of historical relationships between stakeholders, staff may need to brief facilitators	• Monthly meetings via webinar and quarterly meetings in-person		
District of Columbia Public Service Commission	• Addressed grid modernization, gaps in regulation, how to spend \$25	• Third-party facilitation • Prioritized facilitator experience, independent regulatory staff transparency to host meetings	• Shared meetings via social media and professional networks • Spent the first month on stakeholder education; brought in experts and commission staff to address knowledge gaps • LL: Useful feedback gathered from stakeholders by using strawman proposal to solicit input • LL: Was sometimes difficult for facilitator to go in direction of achieving consensus • Recommend prioritizing receiving actionable advice and communicating this priority to the facilitator	• Topical working groups were formed and met monthly • Provided several venues for participation (town halls and technical conferences) • Communication through an online portal	• 2015–2019 from the start of MEDSIS to final report • Open stakeholder meetings held August 2018–May 2019	• Facilitator wrote a summary opinion; recommended • Stakeholder conduct process • Produce with record for the LL • The staff identified ongoing process where N recommend be incorporated

Table 1. Emerging Best Practices and Key Questions for Commissions

A. Scope
Emerging Best Practices <ul style="list-style-type: none"> Clearly define the scope of the proceeding early in the process. Communicate the purpose and goals to stakeholders early in the process. Assess commission capacity and identify where capacity may be limited. Consider the possibility of needing to invest in increased staffing and/or additional resources to accommodate needs. Key Questions for Commissions <ul style="list-style-type: none"> What is the purpose of the process? Who is determining the focus of the process? Has the focus been explicitly defined prior to beginning stakeholder engagement? Or, will the stakeholder engagement process help define the focus? How does this process meet the commission's need in a way that could not be met in a litigated proceeding? Are there priority issues that must be addressed? How and when will the scope of the process be communicated to stakeholders? What is the capacity of the commission's staff, and what resources are available? Is there a need for additional resources?
B. Facilitation Approach
Emerging Best Practices <ul style="list-style-type: none"> Commissions select a neutral facilitator who is familiar with the regulatory process. Facilitators can be prequalified, and RFPs issued on a case-by-case basis to facilitators with demonstrated requisite expertise. Commissions prioritize receiving actionable input from stakeholders to make a decision and clearly communicate this priority to the facilitator. Some facilitators may not be aware of the historical relationships between stakeholders; in these instances, commission staff will need to bring the facilitator up to speed to understand how stakeholder relationships may have an impact on the current process. The role of the facilitator is clearly defined. Frequent communication between the facilitator and the commission can ensure alignment with commission objectives and allow the commission to adjust or incorporate process developments into its plans. Facilitators establish clear boundaries, goals, and ground rules with participants. Key Questions for Commissions <ul style="list-style-type: none"> How will the facilitator address concerns of bias? What is the intended role of the facilitator? How much technical knowledge should the facilitator have for their role in this process? Does the facilitator need to be aware of any historical relationships between stakeholders? Does the facilitator have experience building consensus or productive collaboration among diverse stakeholders?

<https://bit.ly/3zM5hAl>

The Decision-Making Framework





Scope

delineating the extent, or the bounds, of the stakeholder engagement approach



Define the focus of the stakeholder engagement process



Identify and communicate the purpose and goals of the engagement – is it investigatory or decisional?



Assess internal capacity



Consider the initiator of the engagement processes



Facilitation Approach

refers to who is leading the facilitation and the role of the facilitator throughout the stakeholder process



Evaluate which type of facilitation is best for your engagement:

- Commission-led
- Utility-led
- Third party-led



Clearly define the role of the facilitator

Table 5. Commissioner Views on Advantages and Challenges Associated with Three Facilitation Approaches

Facilitation Approach	Advantages	Challenges	Examples
Commission-Led	<ul style="list-style-type: none"> • Ability to utilize staff with relevant expertise • Well-suited when utility or third-party facilitator may engender perceptions of bias 	<ul style="list-style-type: none"> • Potential perceptions of staff bias • Limits staff capacity 	<ul style="list-style-type: none"> • Ohio PowerForward • Michigan MI Power Grid • Maryland PC44 • Minnesota distribution system planning
Utility-Led	<ul style="list-style-type: none"> • Relieves staff when capacity is limited • Well-suited to handle complex topics 	<ul style="list-style-type: none"> • Potential perceptions of utility bias, which may impede the ability to reach consensus 	<ul style="list-style-type: none"> • Nevada Senate Bill 146 Investigation • Washington Statewide Advisory Group
Third Party-Led	<ul style="list-style-type: none"> • Relieves staff when capacity is limited • Allows for more meaningful participation from the commission • Contributes to transparency of the process • Limits perceptions of bias and increases transparency 	<ul style="list-style-type: none"> • Facilitator may not have technical or historical background • Additional costs associated with hiring a third-party facilitator 	<ul style="list-style-type: none"> • Arkansas DER dockets • District of Columbia MEDSIS • Puerto Rico Distribution Resource Plans • Oregon Senate Bill 978 • Rhode Island distribution system planning



Engagement Approach

the methods used to engage stakeholders



Identify stakeholders and conduct outreach



Communicate scope with participants

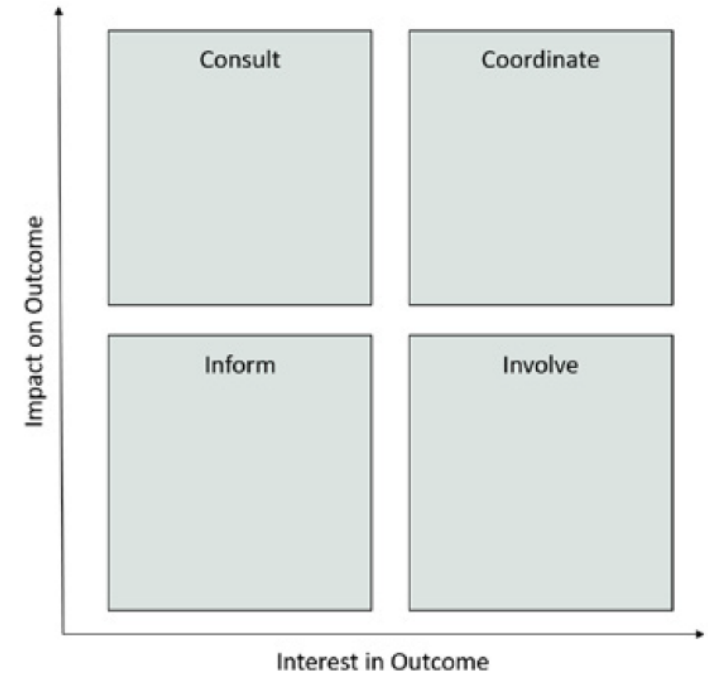


Educate stakeholders / frame the issue(s)



Reach consensus in increments

Figure 4. Example Stakeholder Mapping Matrix
adapted from Energy Transitions Initiative (2015)





Meeting Format

considerations for the structure and accessibility of the stakeholder engagement process



Consider venues for participation that are best aligned with the purpose of the engagement
(See the Spectrum of Processes for Collaboration and Consensus-Building in Public Decisions)



Make participation accessible – for example:

- Providing language services
- Ensure ADA accessible meeting spaces
- Provide virtual options for participation
- Consider rotating meeting times so stakeholders with different work schedules can participate



Timeline

the schedule of the stakeholder engagement process



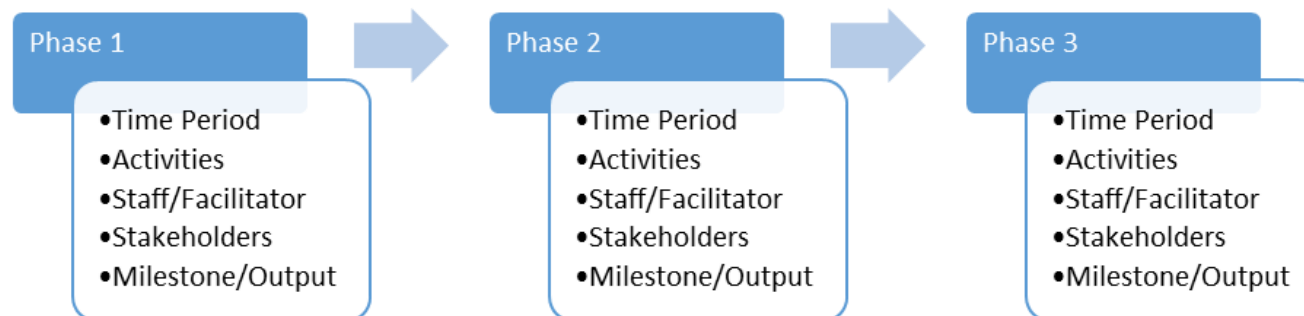
Set the timeline by working backwards from due dates



Design timelines to accommodate flexibility



Clearly communicate timelines to stakeholders





Engagement Outcomes and Follow-Up

the interim and final outputs of the stakeholder engagement process and relevant activities that continue or commence after the process is formally complete



Set clear intentions for how stakeholders will contribute to outputs



Consider and set resources aside to continue follow-up discussions and activities



Solicit input from stakeholders on the engagement process

Thank You

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NARUC Innovation Webinar series

One Thursday each month, 3-4pm ET

All NARUC members and stakeholders are invited

New Approaches to Understanding Economic Impacts of Electric Outages

- October 14, 2021 | 3:00 - 4:00 PM Eastern

Black Start Considerations in a Highly Renewable Future

- November 18, 2021 | 3:00 - 4:00 PM Eastern

Smart Vegetation Management: New Strategies for an Age-Old Problem

- December 16, 2021 | 3:00 - 4:00 PM Eastern

Considering Non-Energy Benefits in PUC Decision Making: What Counts?

- January 20, 2022 | 3:00 - 4:00 PM Eastern

Register at: <https://www.naruc.org/cpi-1/innovation-webinars/>

NARUC thanks the U.S. Department of Energy for its support of this series.



THANK YOU



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