



community action center

May 1, 2000

Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Request for rate increases submitted by Avista (docket UE-991606 and UG-991607)

Dear Commissioners,

We have reviewed the electrical and gas rate increases being proposed by Avista. It appears that the proposed rate structure and rates place the largest increases on low volume users which disproportional effects seniors and other families with low incomes. The rate structure is presented as a 14% increase, however, the proposed change in the base charge is a 67% increase, the proposed rate on the first 600 kwhs of use per month is an increase of 12%, the proposed rate for the next 600 kwhs is an increase of 17.7% and the proposed rate for all usage over 1300 kwhs is a decrease of 2.2%.

In reviewing the electrical usage for people who came into our office to request energy assistance during the winter of 1999/2000, we found that usage levels for our low income clients were generally between 400 and 800 kwhs per month. Based on the proposed rate increases, these limited income customers will have an average electrical bill increase of 18 to 21% rather than the stated 14%. In reviewing the electrical usage of a few middle income residential customers who did not have unusual electrical equipment, we found usage levels from 1500 to 2500 kwhs per month. These higher income, higher volume customers will have only a 7% to 14% increase in their electrical bills if the proposed rates are approved.

Our concern is that most people with limited income are low volume users and that the proposed rates and rate structure will disproportionably and, therefore, unfairly increase the electrical and natural gas costs for these households with lower income. Many of these customers in Whitman County are seniors living on social security.

Please retain a 3 step rate structure for residential electrical usage and approve any necessary increases as an equal percentage increase in each step. In addition, please change the basic charge for electrical and natural gas customers to a minimum charge. For example if the minimum charge is \$10, at the present electrical rate, this minimum charge would cover 257 kwhs. This type of minimum charge provides the utility with a base income level while providing a fair pricing structure based on actual usage that does not penalize the frugal, lower income customer.

Sincerely,

Judy Allen,
Executive Director

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