

**Exhibit T-\_\_\_ (CE-1T)**  
**Docket No. UE-011570**  
**Witness: Chuck Eberdt**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

<b>Washington Utilities and</b>	)	<b>DOCKET NOS. UE-011570 and</b>
<b>Transportation Commission,</b>	)	<b>UG-011571 (Consolidated)</b>
	)	
<b>Complainants,</b>	)	
	)	
<b>v.</b>	)	
	)	
<b>Puget Sound Energy, Inc.,</b>	)	
	)	
<b>Respondent</b>	)	
	)	
	)	
_____	)	

**TESTIMONY OF**

**CHARLES EBERDT**

**MANAGER OF**  
**THE ENERGY PROJECT**

**IN SUPPORT OF SETTLEMENT STIPULATION**

**June 7, 2002**

1 **Q: Please state your name, business address and present position.**

2

3 A. My name is Charles Eberdt. My business address is 314 E. Holly Street, Bellingham,  
4 Washington, 98225. I am the manager of The Energy Project, which is a partnership  
5 between the State Department of Community Trade and Economic Development and the  
6 Washington Community Action Partnership, the state association of Community Action  
7 Agencies.

8

9 **Q. What do your responsibilities as the manager of The Energy Project include?**

10

11 A. The Energy Project is a statewide effort to promote programs and policies which will  
12 ensure affordable access to energy services for Washington's low-income community. As  
13 the manager of the Project, I work with the Weatherization Assistance Program providers  
14 and Low-Income Home Energy Assistance Program providers, utilities, local decision  
15 makers, legislators, and other stakeholders to encourage such policies and program.

16

17 **Q: What is the purpose of your testimony?**

18 A: The purpose of my testimony is to support the Settlement Terms reached regarding the  
19 Company's Conservation programs.

20

21 **Q. Are you familiar with PSE's efforts in the area of conservation or energy efficiency?**

1 A. Yes, I have been engaged with the Company's planning for energy efficiency programs  
2 since 1993. For the last several years I have been a participant on their Advisory  
3 Committee. In the present matter, I participated in the collaborative meetings which  
4 designed the settlement terms for conservation.

5  
6 **Q. Why is conservation important to the low-income households in PSE's territory?**

7 Gas and electric utility rates can have a profound effect on the affordability of housing  
8 for all Washington's residents, but particularly for low-income households.

9 The chart below compares the income of a family of four living at 125% of the federal  
10 poverty level with the costs they are likely to see.

11	Income (HUD 2002 Federal Poverty Guidelines)	\$ 22,625
12	Rent (HUD Fair Market Rent - 2 BR, Seattle Metro area)	-10,140
13	Utilities (per the Bureau of Labor Statistics for Seattle Metro	
14	reduced by 34.4%*)	-1,459
15	Food (based on the Bureau of Labor Statistics 35% ratio)	-7,918
16	Clothing (based on the BLS 11% ratio)	-2,489
17	Health care (based BLS 10% ratio - households with no insurance)	<u>-2,263</u>
18		
19	NET INCOME	-\$1,644

20  
21 \* 34.4% represents the difference between the average residential utility bill and  
22 that of a household living in the bottom 20% of income.  
23

24 It is easy to see that family is already living beyond their means. Furthermore, these  
25 figures don't include transportation, child care, school supplies, household supplies, or  
26 other costs a family is likely to see. As a percentage of household income, the home  
27 energy bill for a low income family is frequently three or more times what Washington's  
28 average residential customer experiences, even with our historically low rates. A well-

1 designed conservation program can put a significant amount of the disproportionate share  
2 of household income that goes to pay energy costs back in the householder's pocket to be  
3 used for these other basic needs. It reduces the competition for the few dollars they have.  
4 At the same time it improves health and safety for the family and upgrades the local  
5 housing stock. Such a program not only helps low income households to afford the bills  
6 they see and the utility to meet its energy and peak needs, it serves a vital public service  
7 as well.

8  
9 **Q. What is your opinion of the Company's proposal for a Technical Advisory**  
10 **Committee?**

11 A. I believe the Company has a considerable amount of work to do in a pretty short time  
12 frame to develop a good set of programs to file by August 1. The Technical Advisory  
13 Committee not only gives stakeholders an opportunity to provide their input in the  
14 process, it gives PSE access to a wide variety of expertise. Assuming this Advisory  
15 Committee develops into the ongoing process that the collaborative group has envisioned,  
16 it will be a vast improvement over recent years' experience. In order for this settlement to  
17 be effective, PSE must avail themselves of the expertise this group will provide.

18  
19 **Q. Do you support the conservation settlement the Company is proposing?**

20 A. Yes. I believe the Company is setting suitably more aggressive targets for conservation  
21 while preparing to develop program designs based on a more realistic avoided cost. With  
22 regard to the low-income program in particular, the company showed good faith in our

1 programs by providing substantial shareholder funding for the last six years. That funding  
2 has allowed us to ramp up our efforts and provide additional services to the low-income  
3 community. The current proposal should maintain that level of activity and will capitalize  
4 on the expertise we have developed. The currently agreed upon avoided cost will justify  
5 the inclusion of a number of measures which previously were not part of PSE's program.  
6 Furthermore, I believe low-income energy efficiency programs benefit when they are part  
7 of a larger effort, such as the one this agreement is initiating.

8  
9 **Q. Does this conclude your testimony?**

10 **A. Yes.**