

Exhibit T-___ (SB-1T)
Docket No. UE-011570
Witness: Scot Brannon

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

TESTIMONY OF

SCOT BRANNON

ON BEHALF OF JOINT INTERVENORS
THE MULTI-SERVICE CENTER, THE ENERGY PROJECT
AND THE OPPORTUNITY COUNCIL

IN SUPPORT OF SETTLEMENT STIPULATION

June 7, 2002

1 **Q. Please state your name and business address.**

2 A. My name is Scot Brannon. My business address is 2103 11th Avenue West, Seattle, WA
3 98119.

4
5 **Q. By whom are you employed and in what capacity?**

6 A. I am a consultant specializing in the development of low-income programs. In this
7 proceeding, I am presenting testimony on behalf of the Multi-Service Center, the
8 Opportunity Council and the Energy Project.

9
10 **Q. How long have you been employed in this capacity?**

11 A. I have advised community action agencies and other low-income organizations on
12 program development for eight years.

13
14 **Q: What is the purpose of your testimony?**

15 A: I am providing testimony on behalf of a group of low-income agencies in support of the
16 Settlement Terms reached in the Low Income Collaborative.

17
18 **Q: Why is the proposed low-income energy assistance program needed in Puget Sound
19 Energy's service area?**

20 A: Based on data from the US Census, 133,340 households in PSE's service area have
21 incomes below 125% of the Federal Poverty Guidelines. This is the income threshold for
22 the Low Income Home Energy Assistance Program (LIHEAP). LIHEAP is the federal

1 program that provides energy assistance to low-income families. However, LIHEAP
2 funding is limited. Last year, only 21,227 households, or 16% of those eligible, received
3 LIHEAP in PSE's service area. The proposed program will reach an additional 19,200
4 households. Included as an attachment to my testimony is Exhibit No.____(SB-2), a
5 letter from the Washington Office of Community Development discussing the need for
6 additional energy assistance similar to the proposed program. The Office of Community
7 Development administers LIHEAP in Washington state.

8
9 **Q: Are there other reasons that the proposed program is needed?**

10 A: Yes. Federal funding of energy assistance is unpredictable and is responsive to national
11 factors. The proposed program represents a stable source of assistance developed based
12 on factors in PSE's service area. Furthermore, administrators of LIHEAP program in
13 PSE's service area continue to maintain waiting lists because they have insufficient funds
14 to help all eligible households having difficulty paying their energy bills. Significantly,
15 during the past two years, there has been a noticeable increase in requests from a
16 particular demographic: elderly households, typically on fixed-incomes. Increased cost-
17 of-living over the past several years, including increased energy expense, has pushed
18 these households from self-sufficiency to dependency.

19
20 **Q: What process was used in developing the proposed program?**

21 A: Seven months ago PSE and low-income agencies began a series of meetings to
22 investigate the need for such a program. What ensued was an informative exchange that

1 educated the Company about the low-income population in Washington, and educated the
2 low-income agencies about the Company's operations and ability to implement an energy
3 assistance program. The Low Income Collaborative benefited from these prior
4 discussions as it moved to address concerns of all stakeholders.

5
6 **Q: What other programs were used as models in developing the proposed program?**

7 A: The collaborative specifically looked at the Avista and PacifiCorp low-income programs
8 previously authorized by the Commission. Both programs use LIHEAP network to
9 deliver services. The Avista program in particular attempts to mirror and coordinate with
10 LIHEAP. The proposed program uses a similar strategy.

11
12 **Q: What are the advantages of mirroring and coordinating with LIHEAP?**

13 A: LIHEAP is administered by Community Action Agencies. These are the entities
14 developed over 30 years ago to deliver services to low-income families. As such, they
15 have extensive experience in shaping programs to meet the needs of the targeted
16 households. Further, coordination with and mirroring of LIHEAP will ensure maximum
17 program coverage by avoiding double payments to the same families.

18
19 **Q: Are there any ways in which this program differs significantly from LIHEAP?**

20 A: Yes. The income threshold for LIHEAP is 125% of the Federal Poverty Guidelines. In
21 areas with high cost of living such as King and Snohomish Counties, the proposed
22 program has an income threshold up to 150% of the Federal Poverty Guidelines. This

1 adjustment was made to reflect the high cost of housing in such areas and is an example
2 of how the proposed program has been tailored to conditions in PSE's service area. The
3 Washington Office of Community Development has said, "We believe that structuring
4 PSE's program with eligibility levels higher than the 125% level and operating it in
5 tandem with LIHEAP program would bring the maximum benefit to the maximum
6 number of applicants to the program." (See Exhibit__(SB-2))

7
8 **Q: Are there any other characteristics of the low-income population that should be**
9 **considered in implementing the proposed program?**

10 A: Yes. Consideration needs to be paid to the variety of languages in PSE's service area, as
11 well as literacy levels. Outreach and education materials for the program should be
12 developed in conjunction with the low-income agencies to ensure they are language and
13 literacy-level appropriate.

14 **Q. Does this conclude your testimony?**

15 A. Yes.