

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Complainant,

v.

AVISTA CORPORATION

d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-240006 AND UG-
240007

(Consolidated)

**CROSS-ANSWERING TESTIMONY OF
CHARLEE THOMPSON**

**ON BEHALF OF
NW ENERGY COALITION**

August 16, 2024

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EXHIBIT LIST

Exh. CT-4T, Cross-Answering Testimony of Charlee Thompson

1 **I. INTRODUCTION**

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

3 **A.** My name is Charlee Isabella Thompson, and I am a Policy Associate at the NW
4 Energy Coalition (“NWECC” or the “Coalition”). My business address is 811 1st Ave.,
5 Suite 305, Seattle, WA 98104.

6 **Q. Are you the same Charlee Thompson who previously filed opening testimony on**
7 **behalf of NWECC in this docket?**

8 **A.** Yes.

9 **Q. On whose behalf are you providing this cross-answering testimony?**

10 **A.** NWECC.

11 **Q. What is the purpose of this cross-answering testimony?**

12 **A.** My testimony supports the recommendations made by witness Shaylee Stokes of The
13 Energy Project (“TEP”) on several low-income issues. Affordability and equity are
14 pillars of NWECC’s advocacy and are fundamental to our mission of a clean, affordable,
15 and equitable energy future. NWECC believes TEP’s recommendations will facilitate
16 that vision and provide benefits to Avista’s customers.

17 **Q. Would you please summarize your background as it relates to low-income**
18 **programs?**

19 **A.** As a Policy Associate with NWECC, I serve on Avista’s (or the “Company”) Energy
20 Assistance Advisory Group (“EAAG”) as well as the analog advisory groups of its
21 four peer investor-owned electric and gas utilities regulated by the UTC. Since July of
22 2022, I have helped to develop the new bill discount rate (“BDR”) programs of Avista,

1 Puget Sound Energy (“PSE”), and Cascade Natural Gas Corporation (“CNG”) as well
2 as the arrearage management programs (“AMP”) of Avista and CNG.

3
4 In addition, I sit on the Washington State Department of Commerce Technical
5 Advisory Group that advises the state on the development of its low-income energy
6 assistance biennial report. There, I have recently advocated for a low-income track in
7 PSE’s targeted electrification pilot.

8
9 In my previous role with TEP, I advocated for low-income utility customer interests in
10 Clean Energy Implementation Plans and supported the development of TEP’s policy
11 positions in rulemakings in dockets U-200281 and U-210800.

12 **Q. Please summarize your testimony.**

13 **A.** In my testimony, I support and affirm witness Stokes’ recommendations for Avista’s
14 disconnection policies, performance-based ratemaking metrics, low-income customer
15 identification, language access, and quarterly decoupling reports. After each set of
16 recommendations, I briefly explain why NWEA is supportive. In summary, witness
17 Stokes’ recommendations help address high energy burden, the racial disparities that
18 have never been addressed in utility billing, assistance, collections, and outreach, and
19 provide more robust reporting for evaluation of Avista’s operations and programs on
20 named communities. As a result, her recommendations, in practice, would better serve
21 the Company’s customers and will further establish Northwest utilities as leaders in
22 clean and affordable energy service, which is consistent with state energy policy.

1 **II. RESPONSE TO TESTIMONY OF WITNESS STOKES**

2 **A. Disconnection Policy**

3 **Q. What are witness Stokes’ recommendations concerning Avista’s current**
4 **disconnection policies?**

5 **A.** Multiple parties to this rate case, including TEP and NWECA, have advocated in UTC
6 rulemaking dockets U-200281 and U-210800 to end disconnections for nonpayment at
7 least for customers who are proven to be disproportionately impacted by disconnection
8 for utility service. The Commission’s decision in U-210800 is forthcoming as the
9 rulemaking will not resume until 2025. Witness Stokes provides recommendations for
10 a future scenario in which the Commission decides in U-210800 to allow utilities to
11 continue to disconnect residential customers for nonpayment. Her recommendations
12 would request disconnection policy reform, including:

13 (1) Remove any provision from the credit coding system that scores customers
14 based on any metric except current arrearage amount and current length of
15 time in arrearage;

16 (2) Prioritize customers for disconnection based on only the two factors identified
17 above; and

18 (3) Conduct a robust equity review of the Disconnection Policies in consultation
19 with the Energy Assistance Advisory Group and Equity Advisory Group,
20 including:

21 (a) By March 2025, present Avista’s Disconnection Policies to a joint meeting
22 of the Energy Assistance Advisory Group and the Equity Advisory Group

1 soliciting verbal and written feedback on the equity impacts of its
2 Disconnection Policies, and

3 (b) By August 1, 2025, incorporate the feedback received and make a
4 subsequent filing (pursuant to WAC 480-07-885) with new disconnection
5 policies and procedures. The Commission should require the subsequent
6 filing to discuss any feedback it did not incorporate and the reasons for
7 declining to do so.¹

8 **Q. Do you support witness Stokes’ recommendations regarding disconnection**
9 **policies?**

10 Yes. These recommendations are consistent with NWECA’s advocacy in rulemaking
11 docket U-210800. As decision-makers and policy implementers, we must do
12 everything we can to stop the perpetuation of racial and economic disparities and of
13 unjust and discriminatory practices that keep marginalized customers in a cycle of
14 poverty and debt.

15
16 David Konisky of Indiana University’s Energy Justice Lab recommended to the
17 Commission at the June 23, 2023 U-210800 workshop that “a second-best policy” to
18 disconnections “would be policies that are more protective of the most vulnerable
19 populations.” Mr. Konisky also stated that “the more protective the better, particularly
20 to address the disparities that [he] and others have been finding in [their] research.”²

21 We believe that witness Stokes’ three recommendations listed above are protective

¹ SNS-1T, page 42, lines 8-24. UTC dockets UE-240006 and UG-240007.

² June 23, 2023 Workshop recording at timestamp 50:48.

1 policies that will begin to address known racial disparities identified within
2 disconnection practices.³

3
4 Furthermore, we are very concerned to hear about Avista's current scoring system for
5 disconnections. Penalizing lower credit-scoring customers based on their history of
6 payments by sending them to collections and giving them less time to prevent
7 disconnections is unjust and directly contradicts the Commission's guidance under the
8 Clean Energy Transformation Act for a fair distribution of energy benefits and
9 burdens. This will only increase the likelihood that these customers will be trapped in
10 the vicious cycle of arrearages and disconnections. This Commission should not allow
11 the Company to use a scoring system that does not consider equity in its design and
12 impacts.

³ See Shalanda Baker, Sanya Carley, and David M. Konisky, Energy Insecurity and the Urgent Need for Utility Disconnection Protections, 159 Energy Policy 112663 (Dec. 2021), <https://www.sciencedirect.com/science/article/abs/pii/S0301421521005280>; see also Michelle Graff, Sanya Carley, David M. Konisky, and Trevor Memmott, Which Households are Energy Insecure? An Empirical Analysis of Race, Housing Conditions, and Energy Burdens in the United States, Energy Research & Social Science 102144 (Sept. 2021), <https://www.sciencedirect.com/science/article/abs/pii/S2214629621002371> (full text available at: <https://par.nsf.gov/servlets/purl/10354767#:~:text=Empirically%2C%20we%20find%20that%20Black,likely%20to%20be%20energy%20insecure.>); see also Trevor Memmott, Sanya Carley, Michelle Graff, and David M. Konisky, Sociodemographic Disparities in Energy Insecurity among Low-income Households Before and During the COVID-19 Pandemic, 6 Nature Energy 186, (Jan. 18, 2021), <https://www.nature.com/articles/s41560-020-00763-9>.

1 Finally, I believe that if the Commission chooses to continue disconnections for
2 nonpayment in U-210800, witness Stokes' third recommendation is necessary to allow
3 the Company's EAAG and EAG to provide feedback on the equity impacts of the
4 disconnection practices and to hold the Company accountable in addressing their
5 suggestions.

6 **B. Performance-Based Ratemaking**

7 **Q. What are witness Stokes' recommendations concerning performance-based**
8 **ratemaking?**

9 **A.** Witness Stokes recommends that the Commission direct Avista to report on the
10 affordability and equity metrics contained in Exhibit SNS-10, namely:

11 (1) Maintain Avista Metrics 1, 7, 25, 26, and 31;

12 (2) Modify and maintain Avista Metrics 9, 12, 13, 14, 19, and 23; and

13 (3) Add a metric measuring average annual net plant in service per customer.⁴

14 **Q. Do you support witness Stokes' recommendations for PBR metrics?**

15 **A.** Yes. TEP justifies the re-inclusion and revision of metrics that directly impact low-
16 income customers and vulnerable populations as well as supports the importance of
17 this reporting through the analysis and testimony of expert Roger Colton.

18
19 Many of the revisions that witness Stokes recommends are easy to integrate (e.g.,
20 metrics 1, 9, 13, 14), directly align with the Commission's Policy Statement (e.g.,
21 metrics 12, 23) in the PBR rulemaking, and that many of the metrics that witness

⁴ SNS-1T, page 42, lines 26-30. UTC dockets UE-240006 and UG-240007.

1 Stokes recommends be maintained provide robust reporting for the deployment of
2 clean energy in named communities (e.g., metrics 19, 23, 25, 26, 31)

3
4 TEP's testimony was filed before the publication of the Commission's policy
5 statement and thus relied on the interim policy statement. The Commission has since
6 filed its policy statement for the first phase of the PBR rulemaking.⁵ TEP's
7 recommendations continue to align with the policy statement, including its
8 recommendations to "integrate into Metric 23 the Commission's recommendation to
9 track electric transportation programs, not just electric vehicle programs"⁶ and for the
10 Commission to direct Avista to "adopt a more granular version" of Avista's Metric 12
11 that measures income at the census tract level for low-income communities, highly
12 impacted communities, and vulnerable populations.⁷

13 **C. Low-Income Identification**

14 **Q. What are witness Stokes' recommendations concerning low-income customer**
15 **identification?**

16 **A.** Witness Stokes offers two subsets of recommendations:

17 (1) The Commission should direct that Avista, by January 1, 2026:

18 (a) Separately identify estimated low-income customers taking electric
19 service, gas service, and dual fuel service;

⁵ "Policy Statement Addressing Initial Reported Performance Metrics" was filed on August 2, 2024 in UTC docket U-210590.

⁶ SNS-1T, page 23, lines 21-23. UTC dockets UE-240006 and UG-240007.

⁷ SNS-1T, page 18, lines 11-12. UTC dockets UE-240006 and UG-240007.

- 1 (b) Analyze arrearage and disconnection demographics, data, and trends,
2 including impacts on named communities;
3 (c) Analyze customer participation geography, demographics, data, and trends,
4 including impacts on named communities; and
5 (d) Analyze the revised program structure that became effective October 1,
6 2023.

7 (2) The Commission should require Avista, by January 1, 2026, separately
8 calculate saturation rates for electric, gas, and dual-fuel low-income customers
9 enrolled in energy assistance programs.⁸

10 **Q. Do you support witness Stokes' recommendations for low-income customer**
11 **identification?**

12 **A.** Yes. I will speak to each of the recommendations below.

13
14 Avista is a dual fuel utility facing a burgeoning transition to electrify and decarbonize
15 its system and maintain customer affordability. Being able to separately identify low-
16 income customers based on fuel type is obligatory for this process. Recommendation
17 (1)(a) is a key metric to evaluate Avista's electrification progress, including who may
18 be disproportionately left behind and which customers need energy assistance.
19 Avista's peer, PSE, already identifies low-income customers based on fuel type in its
20 2022 Energy Burden Analysis.⁹

⁸ SNS-1T, page 43, lines 1-11. UTC dockets UE-240006 and UG-240007.

⁹ Exh BDJ-3r, pages 14-15. UTC dockets UE-240004 and UG-240005.

1 NWEC agrees that Avista should assess the arrearage and disconnection
2 demographics, data, and impacts (recommendation (1)(b)) and customer participation
3 geography, demographics, data, and impacts (recommendation (1)(c)) in its future
4 Low-Income Needs Assessments. Avista has already begun to advance some of this
5 work by collecting voluntary and anonymous demographic information from
6 customers who apply to its My Energy Discount program. TEP's recommendations
7 will complement this data collection and provide a clearer analysis of the experience
8 of Avista's most vulnerable customers and how they are engaging with the Company.
9 Regular and robust analysis is necessary as these customers are likely to be the most
10 negatively impacted in Avista's clean energy transition.

11
12 Furthermore, NWEC also strongly agrees with recommendation (1)(d). As a member
13 of Avista's EAAG, I can verify that when Avista's My Energy Discount Program and
14 arrearage management program were launched in October 2023, it was the EAAG's
15 intention to evaluate the new programs' effectiveness and to determine what revisions
16 may be needed for future iterations of the programs. We hoped that the program
17 evaluation would assess both design elements (e.g., Have we set the correct tiers and
18 discount rates? What are the results of the eligibility verification process?) and how
19 the programs are impacting customers (e.g., Are customer energy burdens being
20 reduced? Whose energy burdens are being reduced? Does this impact arrearages and
21 disconnections?).

1 Finally, we believe that recommendation (2) is another necessary metric in evaluating
2 the effectiveness of the Company's assistance programs. Understanding energy
3 assistance saturation rates by fuel type will enable Avista and its EAAG to refine
4 programs to provide better assistance that meets different customers' needs.

5 **D. Language Access**

6 **Q. What are witness Stokes' recommendations for language access?**

7 **A.** Witness Stokes recommends that the Commission order Avista to take these five steps:

8 (1) By June 1, 2025, evaluate language barriers to accessing low-income programs in
9 a draft language access plan,

10 (2) By June 1, 2025, provide its Energy Assistance Advisory Group and the Equity
11 Advisory Group a draft language access plan for its low-income programs and
12 request feedback on the plan,

13 (3) By October 1, 2025, incorporate feedback it receives, discuss any feedback
14 received on the draft not incorporated into the final, state the reason Avista did
15 not incorporate the feedback into the final, and make a subsequent filing
16 (pursuant to WAC 480-07-885) with a final language access plan for its low-
17 income program,

18 (4) Report on its progress toward accomplishing the language access plan in its
19 annual Low-Income Rate Assistance Program Annual Summary Report, and

1 (5) Maintain and revise the language access plan as needed, with approval and
2 feedback from the Energy Assistance Advisory Group and the Equity Advisory
3 Group.¹⁰

4 **Q. Do you support witness Stokes' recommendations for a language access plan?**

5 **A.** Yes. Avista has done commendable work to date to make its services accessible and
6 multilingual. Avista is on the right path and I believe that taking a more proactive
7 approach, as witness Stokes highlights, will advance the Company further along this
8 path. Language access is an essential component for equitable customer access to all
9 services and programs, including those of utilities. Language access plans have been a
10 tool used across federal government agencies for over two decades to improve
11 communication and outreach about programs and services as well as to increase access
12 to and penetration of these programs and services.¹¹ Witness Stokes' recommendation
13 for a language access plan and the process she lays out will complement and
14 strengthen Avista's existing language services, which will ultimately be reflected in
15 participation in each of the Company's customer programs. The Commission approved
16 similar recommendations for a language access plan in PacifiCorp's 2023 general rate
17 case in Order 08/06.¹²

18 **E. Quarterly Decoupling Report**

19 **Q. What are witness Stokes' recommendations concerning Avista's quarterly**
20 **decoupling report?**

¹⁰ SNS-1T, page 43, lines 13-28. UTC dockets UE-240006 and UG-240007.

¹¹ Executive Order No. 13,166, 65 Fed. Reg. 50121 (August 16, 2000).

¹² Order 08/06. Dockets UE-230173 and UE-210852 (consolidated). Filed March 19, 2024.

1 A. Witness Stokes recommends that if the Commission discontinues the Quarterly
2 Decoupling Report, it should order Avista to include in all future annual adjustment
3 filings all information that was available in the Quarterly Decoupling Reports.¹³

4 **Q. Do you support witness Stokes' recommendations for its Quarterly Decoupling**
5 **Report?**

6 A. Yes. We acknowledge that the Quarterly Decoupling Report includes information not
7 found in Avista's annual decoupling rate adjustment filing and that it is more easily
8 accessible than the annual rate adjustment filing.¹⁴ We agree with witness Stokes that
9 if the Commission chooses to eliminate this report, the information provided within it
10 must be consolidated and easily accessible in future annual decoupling rate adjustment
11 filings.

12 III. CONCLUSION

13 **Q. What are your recommendations?**

14 A. NWEC respectfully recommends that the Commission adopt witness Stokes'
15 recommendations in full.

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

17 A. Yes.

¹³ SNS-1T, page 44, lines 1-4. UTC dockets UE-240006 and UG-240007.

¹⁴ SNS-1T, pages 40-42. UTC docket UE-240006/UG-240007.