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BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,)
) Complainant,) Docket Nos.
) v.) UE-160228 &
) UG-160229
) (Consolidated)
AVISTA CORPORATION, d/b/a AVISTA)
Utilities,)
) Respondent.)

PUBLIC COMMENT HEARINGS - VOL. II

Pages 30 - 42

CHAIRMAN, UTILITIES AND TRANSPORTATION
CHAIRMAN DAVID W. DANNER

12:04 p.m.

SEPTEMBER 20, 2016

Spokane Valley City Council Chamber
11707 East Sprague Avenue, Suite 106
Spokane Valley, Washington 99206

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SPEAKERS:

LUCY LEPINSKI
BETTY DURCH

* * * * *

1 SPOKANE VALLEY, WASHINGTON; SEPTEMBER 20, 2016

2 12:04 P.M.

3
4 CHAIRMAN DANNER: Good afternoon. This is
5 the Public Comment Hearing of Utilities and
6 Transportation Commission in Docket Nos. UE 160228 and
7 UG 160229, and that is the Avista general rate case.
8 I'm Dave Danner, and I'm Chairman of the Utilities and
9 Transportation Commission. I am one of three
10 Commissioners. My colleagues, Ann Rendahl and Philip
11 Jones, are out of the state today, so I will be
12 attending this one solo, and they will be reviewing the
13 transcripts as we go forward with the rate case.

14 Our purpose today is to take public
15 comments on a rate case which was filed on
16 February 19th, 2016. Avista filed a request to increase
17 electric and natural case rates for both services.
18 They're proposing an 18-month rate plan. For the first
19 12 months, they asked for an increase of 38.6 million or
20 7.8 percent in electric rates, and 4.4 million or five
21 percent in natural gas rates. These new rates would go
22 into effect on January 2017. For the remaining six
23 months of the rate plan, Avista asked for an additional
24 increase of 10.3 million, or 3.9 percent for its
25 electric rates, and \$900,000 or 1.8 percent to its

1 natural gas rates. These increases would go into effect
2 on January 2018.

3 Additionally, the company is asking for an
4 increase in residential electric customer charges from
5 8.50 to \$9.50, and natural gas residential customer
6 charges from \$9.00 to \$9.50.

7 This rate case will be heard by the
8 Commission at a hearing in Olympia, Washington on
9 October 12th, 2016. And we are expected to issue a
10 decision this winter. If approved, the new rates would
11 go into effect on January -- in January of 2017.

12 This is one venue for providing public
13 comments. I realize there may be some confusion because
14 we changed the date of this public comment hearing on --
15 so some customers may have received notice that it's
16 going to be tomorrow. If they cannot attend today, we
17 still invite them to submit comments by e-mail, mail or
18 on our web form, and we will see a video in just a
19 moment that will explain how to do that.

20 So why don't we go ahead and run the
21 video. It's about five minutes. It explains our
22 rate-making procedures and a little bit about the
23 Commission. So, Andrew, thank you. And if you can get
24 the lights, too.

25 (The Video Runs.)

1 CHAIRMAN DANNER: All right. Thank you.
2 So let's begin. We have a few people signed in. So why
3 don't we start with Lucy Lepinski.

4 Please come forward. Good afternoon.

5 MS. LEPINSKI: Good afternoon.

6 CHAIRMAN DANNER: So I need to swear you
7 in, believe it or not.

8 So please raise your hand.

9 Do you solemnly swear to tell the truth,
10 the whole truth and nothing but the truth?

11 MS. LEPINSKI: I do.

12 CHAIRMAN DANNER: All right. You may
13 proceed.

14 MS. LEPINSKI: Good afternoon, Chairman
15 Danner. My name is Lucy Lepinski, and I serve as the
16 COO for Spokane Neighborhood Action Partners, better
17 known as SNAP. I am representing Julie Honekamp, SNAP'S
18 CEO, today. She's out of state also.

19 For 50 years SNAP has served as the
20 Spokane area community action agency. In 2015, we
21 served nearly 41,638 unduplicated low-income individuals
22 through nearly 30 programs aimed at either stabilizing,
23 low-income individuals or equipping them to exit
24 poverty. In a subset of our work, in 2015, SNAP
25 provided energy assistance to 12,581 low-income

1 households through a mix of public, private and rate
2 payer dollars.

3 My hope today is to update you, discuss
4 current collaborations, express an opinion and share my
5 gratitude. I want to begin by saying there is good news
6 on the Avista LIRAP rate discount pilot for senior and
7 disabled -- and/or disabled households that are between
8 125 percent and 200 percent of the federal poverty
9 level. SNAP signed up 700 of the 800 participants in
10 the first year. The other 100 are being signed up by
11 rural resources in Colville. The second year will start
12 in October.

13 The households were signed up for a
14 two-year period. Participants are primarily older, one-
15 and two-member households, living in a single-family
16 dwelling. The third-party evaluator reported in June
17 some preliminary findings to Avista showing that
18 disconnects are down by about 50 percent in this group,
19 and that participants are saving on energy. Again,
20 these are preliminary results. But the yearly results
21 are meeting the four goals in the UTC order.

22 The Energy Assistance Advisory Group last
23 met in July and meets again this Thursday. A PIPP/AMP
24 subcommittee was formed. That subcommittee has had four
25 meetings, and we are making progress towards the

1 consideration of a very complex percentage of income
2 payment plan known as a PIP.

3 SNAP has a strong and resilient Avista
4 partnership. This last year, Spokane and Avista
5 suffered a once in 100 year severe windstorm. Avista
6 worked diligently to restore power as quickly as
7 possible, and utilized partners from across the
8 Northwest to facilitate that outcome. SNAP was creative
9 in meeting customer needs during the outage, providing a
10 hundred and sixty-three cords of wood delivered or
11 picked up to 501 households, providing generator and
12 fuel vouchers, food debit cards and minor home repairs.
13 Both agencies learned much about the resilience of our
14 staff and our ability to innovate in a crisis. While
15 our missions may be different, they are certainly
16 complimentary, and both Avista and SNAP share a desire
17 for a robust and healthy community.

18 Now, regarding the proposed tariff
19 revision, SNAP remains very concerned about potential,
20 AMI, to the low-income population we serve.

21 In gratitude, I would like to thank
22 Avista, the Commission staff, public counsel and the
23 Energy Project for all their work on the Energy
24 Assistance Advisory Group. And lastly, I want to thank
25 you for holding a Hearing in Spokane and for the effort

1 you make to set fair, just, reasonable and sufficient
2 rates for the utilities. Thank you.

3 CHAIRMAN DANNER: Thank you, very much,
4 Miss Lepinski.

5 Can we talk about unmet need right now.
6 It sounds like you're making progress. But how -- how
7 far out there are we getting with regard to the -- to
8 the people in need? These programs are limited. The
9 dollar amounts are limited. What is the unmet need out
10 there?

11 MS. LEPINSKI: So the report we submitted
12 last year had some numbers in it. That report has not
13 been revised. So I would say that the need is -- is
14 similar to what it was. We do have the five-year plan
15 for increase in assistance, and we are working towards
16 greater outreach in a variety of ways.

17 This year, for example, one of the things
18 that SNAP is doing is reaching out to daycare centers
19 for working parents to -- to give them the opportunity
20 to sign up for energy assistance there at the daycare
21 center, rather than having to come in for an
22 appointment.

23 CHAIRMAN DANNER: How long does it usually
24 take to sign up? Is it something that you can actually
25 do while you're picking up your child or --

1 MS. LEPINSKI: Some of our intake is
2 actually on the phone. So it depends on the number of
3 household members that are working, what the sources of
4 income are. But an average intake is about 15 to 20
5 minutes. And we work ahead of time with the
6 organization that we're doing outreach in. We sign up
7 people for appointments, and then -- then they have a
8 schedule of time.

9 CHAIRMAN DANNER: That's very interesting.
10 I'm interested to see how that goes. It sounds -- is
11 that working so far? I mean, are you getting -- signing
12 people up that way?

13 MS. LEPINSKI: We are working with the
14 agencies. And energy assistance begins for heat in --
15 on October the 4th, so we won't start doing those
16 appointments until then.

17 CHAIRMAN DANNER: Okay. And how much of a
18 correlation is there between the need for low-income
19 assistance and the need for weatherization? In other
20 words, is the housing stock that low-income people are
21 living in, is it -- is it less insulated? Is it less
22 energy efficient than other housing?

23 MS. LEPINSKI: I think there's a great
24 need for weatherization in Spokane. And it may be
25 greater than other areas of the state. We have a large

1 amount of pre -- or just immediately post World War II
2 housing that needs regular reinvestment. So I believe
3 that the Housing Director recently said to me that they
4 talked with the Department of Commerce, and that it
5 would be beyond our retirement before all the houses in
6 Spokane that needed weatherization were weatherized.

7 CHAIRMAN DANNER: All right. Well, thank
8 you for that.

9 I have no further questions. So I very
10 much appreciate your coming out this afternoon and
11 sharing that with us.

12 MS. LEPINSKI: Thank you. If you have any
13 follow-up questions, please let me know.

14 CHAIRMAN DANNER: I certainly will.
15 Again, thank you very much.

16 Okay. Betty Durch, do you wish to make
17 any comments?

18 MS. DURCH: No, not at this time.

19 CHAIRMAN DANNER: Not at this time. Okay.

20 That is all who have signed up. There are
21 some other people in the room. Is there anyone else
22 today who wishes to come and speak to us?

23 Okay. We are taking public comment in
24 this case. So let me consult with public counsel. You
25 think the end of -- not the end of this week, but the

1 end of next week would be sufficient for a deadline, do
2 you know, for -- for submitting written comments?

3 MS. GAFKEN: Well, usually, we take
4 written comments through the end of the case, so
5 after --

6 CHAIRMAN DANNER: Okay. So there's no --

7 MS. GAFKEN: -- the evidentiary hearing --

8 CHAIRMAN DANNER: After the evidentiary
9 hearing?

10 MS. GAFKEN: Right.

11 CHAIRMAN DANNER: Then -- then we're --
12 we're good. All right. Thank you.

13 I don't know if the court reporter
14 followed all that. But thank you.

15 Okay. That brings us to the conclusion,
16 then. We are going to have a second Public Hearing
17 tonight in Spokane City Hall. And -- is that correct,
18 Andrew? Spokane City Hall? All right. And that will
19 be at 6:00 o'clock. So we will be adjourned, and then
20 we will start the second hearing this afternoon -- or
21 tonight. Thank you very much.

22 (Hearing concluded at 12:29 p.m.)

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C E R T I F I C A T E

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I, RON FERNICOLA, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript is true and accurate to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 28th day of September, 2016.

RON FERNICOLA, CCR #3380