

The Energy Project commends Avista and the other participants in the low-income collaborative in producing a report that covers quite a bit of ground and bridges some fairly contentious issues. We believe this will lead to a better program going forward and look forward to working with the utility and others in that regard. At the same time, we feel it is necessary to comment on two presentations of data in the report that we feel might give the reader an incorrect impression of the situation.

The first instance occurs on p. 16 in a graph titled “Federal HHS Poverty Guidelines and Washington Low-Income Eligibility Guidelines”, purporting to represent the income eligibility thresholds for participation in the low-income energy efficiency program. The line in question is that labeled “Washington State LI eligibility guideline”. When the Energy Project questioned the source of this line, we were told it was derived from the data we presented to the collaborative. That data sheet is example XXX. (“Income Eligibility Guidelines”) We do not see any data on this page that corresponds to this line.

Furthermore, as is indicated elsewhere in the report itself, the guideline for the low-income energy efficiency programs is 60% of state median income or 200% of the federal poverty level, whichever is higher (cited in footnote 10, emphasis added). In that respect alone, the line is mislabeled, because in every case, 200% of the federal poverty level is higher and would be the guideline. On its website, Commerce provides a clearer indication of those numbers (<http://www.commerce.wa.gov/site/503/default.aspx>). The second page of this document (example XXX2) [the Commerce Website eligibility.pdf file] shows that the 60% of state median income line would actually cross the 200% of federal poverty level line, because it indicates a higher income level for smaller family sizes. The line labeled “Washington State LI eligibility guideline” on page 16 would limit the eligible population to much lower income levels.

The second instance is on p. 21 where the report compares how much the low-income population pays into the conservation tariff compared to the benefits (in terms of conservation funding) that go to them. There is some confusion here in that the footnote paired with the electric customer comparison cites the population level for gas customers, while the footnote paired with the gas comparison cites the electric customer population data. Nevertheless, the analysis uses the Titus report population estimates to determine how much the low-income population paid into the conservation tariff. In both cases only the lowest eligibility level that was discussed (125% of the federal poverty level) is used. If one takes the population ratios for the higher income levels from that same Titus work, the picture is quite different. That population data is also provided elsewhere in this report (p. 19). Using the higher population ratios (approximately 36% for electric customers and 27% for gas customers) the ratios change from 64% to 117% for electric and from 96% to 163% for gas.

The Energy Project understands that all customers benefit from the provision of energy conservation and that no customer class is guaranteed to receive a level of “direct” benefit equal to what they pay into the conservation tariff. However, if the comparison provided in this report has any relevance, then the complete picture should be provided. That is, it is just as relevant, if not more important, that members of this customer population could be paying in more to the conservation tariff than they are seeing from it. In the case of the gas customers, quite a bit more it would appear. This was one of the Energy Project’s main concerns during the decoupling pilot.

The Energy Project believes it is important to point out these discrepancies because the net effect is to minimize the population in need. While we recognize that meeting that need may be more than this utility can do, we believe it is a disservice to downplay the level of need in this way. It is a daunting challenge, but we are in a better position to address it if we fully recognize it.