

BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

vs.

DOCKET UE-130043

PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY,

Respondent.

VOLUME V

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EVIDENTIARY HEARING BEFORE ADMINISTRATIVE LAW JUDGE DENNIS L. MOSS

9:34 a.m. - 4:36 p.m.

August 27, 2013

Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive Southwest Olympia, Washington 98504-7250

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1 Mr. Eberdt's response yet.  
 2 MS. STEWARD: True.  
 3 COMMISSIONER GOLTZ: Mr. Eberdt, do you have a  
 4 comment on where we ought to end up on the basic charge?  
 5 MS. EBERDT: Generally we concur with public  
 6 counsel on this one.  
 7 COMMISSIONER GOLTZ: Mr. Deen, I assume that you  
 8 don't have a dog in this fight?  
 9 MR. DEEN: No.  
 10 COMMISSIONER GOLTZ: Anyone else have any  
 11 comments or questions? Otherwise I'm done.  
 12 I didn't ask Mr. Mickelson much about the tiers.  
 13 I guess I'll ask you this, Mr. Mickelson. Are you  
 14 comfortable that at the end of the study that's being  
 15 proposed, and including the information that the company  
 16 has committed to providing in the next general rate  
 17 case, do you feel confident that you will be able to  
 18 resolve this issue of whether or not the -- of the  
 19 three-tier structure and its impact on low income  
 20 customers?  
 21 MR. MICKELSON: I believe from the study, in  
 22 Ms. Steward's rebuttal she did bring up concerns about  
 23 using national data, I believe 2001 data, and so by  
 24 using the study, staff and other parties will be able to  
 25 use information that is, A, relevant to this company and

1 MS. STEWARD: I haven't thought about that. I  
 2 don't know if we could do a zip code or not. I don't  
 3 know how useful that would be. They won't know who that  
 4 customer is. I'll let Mr. Eberdt discuss it.  
 5 MS. EBERDT: You know, what occurs to me is that  
 6 there has been a residential building assessment done  
 7 for the region recently, and one of the unfortunate  
 8 anomalies of this residential building assessment is  
 9 that it's 90 percent owner-occupied, single-family. So  
 10 that almost automatically precludes the largest  
 11 proportion of low income homes.  
 12 But what we know from that building assessment  
 13 is that there's still a lot of homes out there that  
 14 don't have wall insulation and that don't have much more  
 15 than R-18 attic insulation. So there's a lot of stuff  
 16 that can be done in these homes, and the question is how  
 17 are we going to know in this service territory, in these  
 18 certain areas, in the homes that are low income homes,  
 19 whether or not these people have the opportunity for  
 20 this work to be done.  
 21 Again, another one of those things that's going  
 22 to fall through the, kind of falls through the mesh, you  
 23 might say, is that they are going to survey people, but  
 24 in many cases the low income folks who are living there,  
 25 if they happen to be the recipients of the survey, won't

1 to their service territory, and so in setting rates  
 2 based off that, I think that is a good outcome.  
 3 COMMISSIONER GOLTZ: I've got nothing further.  
 4 CHAIRMAN DANNER: I just want to throw in -- you  
 5 know, to hold prices down so low income people can heat  
 6 their drafty homes is really kind of still an interim  
 7 step, because ultimately we've got to find a way to  
 8 weatherize those homes. And, you know, I don't know  
 9 that there's going to be a component of this study or  
 10 information that we can gather as part of the study that  
 11 will help inform that, but I'd just like to know if  
 12 there's any thinking along those lines.  
 13 MS. STEWARD: We have included a question in the  
 14 last survey on energy efficiency efforts undertaken in  
 15 the past couple years with different items to check off,  
 16 including weatherization.  
 17 CHAIRMAN DANNER: So would that provide  
 18 information so that commerce could -- or utilities or  
 19 LIHEAP program, or whoever is doing weatherization, will  
 20 have information that they can use to target this?  
 21 MS. STEWARD: That -- they won't be able to use  
 22 it to target specific customers, because it will be  
 23 blind.  
 24 CHAIRMAN DANNER: You were talking about  
 25 geographic areas, or maybe that was Mr. Eberdt.

1 know what has been done to that home because it's a more  
 2 mobile population, and so they may not have been there  
 3 when it was done, and they may not have the background  
 4 to know that.  
 5 And it's possible that -- the Department of  
 6 Commerce is doing a lot more now in collecting data from  
 7 the low income work that we're doing. We have a data  
 8 system that they've been working up for the last couple  
 9 of years, and we're getting more information about  
 10 what's going into the homes that we are doing, but it  
 11 doesn't tell us about the homes that we're not doing.  
 12 CHAIRMAN DANNER: So you don't see really any  
 13 opportunities in this cost service study that would  
 14 inform those efforts or help them along?  
 15 MS. EBERDT: I think there are. If it  
 16 identifies -- if it starts to identify areas where  
 17 there's high usage that we're not aware of, that's a  
 18 good thing. We prioritize high usage and high burden in  
 19 our homes, and so that might be an opportunity for us to  
 20 do a better targeting job, and that's a good thing.  
 21 You know, I know it's going to be blind, but  
 22 that still gives us the opportunity to do outreach,  
 23 geographically, if we have some kind of geographic  
 24 dimension to it.  
 25 CHAIRMAN DANNER: Thank you.