

**Docket Nos. UE-170485 and UG-170486 (Consolidated) -
Vol. III**

**Washington Utilities and Transportation Commission v.
Avista Corporation**

November 28, 2017



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BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	
)	
)	
vs.)	Docket Nos. UE-170485
)	and UG-170486
)	(Consolidated)
AVISTA CORPORATION, d/b/a)	
AVISTA UTILITIES,)	
)	
Respondent.)	

VOLUME III

PUBLIC COMMENTS HEARING

NOVEMBER 28, 2017

6:00 p.m. - 6:34 p.m.

240 Southeast Dexter Street

Pullman, Washington

REPORTED BY:
LEIGH DELMOND, CCR NO. 3332

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1 A P P E A R A N C E S

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1 PULLMAN, WASHINGTON; THURSDAY, NOVEMBER 28, 2017

2 6:00 p.m.

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5 CHAIRMAN DANNER: Okay. We are going to get started.

6 Thank you everyone for being here tonight.

7 This is the public hearing -- public comment hearing
8 in the Avista general rate case. We are today in Pullman,
9 Washington, and this is Docket No. UE-170485 and UG-170486.

10 We -- I am Dave Danner and I'm the chairman of the
11 Washington Utilities and Transportation Commission and I'm
12 joined by my colleague, Jay Balasbas.

13 Our other colleague, Ms. Ann Rendahl, could not attend
14 today but will listen to -- or read the transcripts of the
15 public hearing comments tonight.

16 We are also joined by representatives of the company
17 and also the public counsel.

18 Lisa Gafken, raise your hand, please?

19 Thank you.

20 It looks like we are going to have a short public
21 comment hearing tonight as we have one person signed in and
22 that's Karen Kiessling, K-i-e-s-s-l-i-n-g.

23 And so the attorney general has prepared a fact sheet,
24 but I don't know if you've got a copy of that describing
25 the details.

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1 THE WITNESS: Oh, yes. There are some out there, yes,
2 sir.

3 CHAIRMAN DANNER: If not, Mr. Roberts could bring some
4 in here.

5 Okay. We would be happy if you wanted to come up here
6 and take a seat.

7 MS. KIESSLING: All right.

8 CHAIRMAN DANNER: We don't have a sound system
9 tonight, so if you'd use your outdoor voice.

10 MS. KIESSLING: That's never been a problem.

11 CHAIRMAN DANNER: That way, the court reporter can get
12 it all down.

13 Before you start, I have to swear you in so if you
14 would stand, please.

15 KAREN KIESSLING,
16 being first duly sworn to tell the truth, the whole truth, and
17 nothing but the truth, testified as follows:

18 MS. KIESSLING: I do.

19 CHAIRMAN DANNER: Thank you very much. You may be
20 seated.

21 MS. KIESSLING: It's been 55 years since I said, "I
22 do" last, but it was a good decision then so I'm sure it
23 was a good decision now.

24 CHAIRMAN DANNER: Good.

25 MS. KIESSLING: Shall I begin?

1 CHAIRMAN DANNER: Yes, please.

2 MS. KIESSLING: Chairman Danner and Commissioner
3 Balasbas, I understand that your mission, in part, is to
4 see that investor-owned utilities are safe, available,
5 reliable, and fairly priced. That last one, "fairly
6 priced," is the area of my comment.

7 Thank you for this opportunity to speak on the matter
8 of the proposed rate increase requested by Avista for 2018.
9 That rate increase, which is a 9.2 percent increase per
10 month, is least able to be born by those residents of
11 Whitman County who live on fixed incomes and hover near or
12 reside squarely in poverty.

13 I am here tonight because I represent the residents of
14 Whitman County on the Planning and Management Council of
15 Aging & Long Term Care of Eastern Washington.

16 My name is Karen Kiessler, and I have lived in
17 Whitman County for 50 years and I serve as the government
18 representative for the county on the council.

19 The goal of Aging & Long Term Care of Eastern
20 Washington is to help citizens remain in their homes as
21 they age. Rate increases for necessary services such as
22 heat and light, medicine, food, transportation, and
23 housing, force them out of their homes.

24 This rate increase for approximately 50 percent of
25 seniors living alone is too high. Their incomes fall below

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1 the Washington State Elder Economic Insecurity Index, and
2 they will lack the incomes needed to age in their own homes
3 and pay their bills.

4 Low income seniors forced to deal with rate increases
5 must choose between heat and light and other basic needs
6 such as medicine.

7 I'd like to show you two photos, one is in color and
8 the other is in black and white, but one of them you know
9 well so you can perhaps see his face in color.

10 Both of these men are your concern. This one, I
11 represent here tonight. He is an old man who has worked
12 and saved to live out his life in his home. He is the one
13 I'm asking you to remember and to honor by refusing this
14 rate increase.

15 The other gentleman does not have the same problems.
16 He is paid a salary of 4.5 million dollars, which means he
17 is paid \$2,300 an hour, \$86,500 a week. The difference
18 between these two men is simply too great.

19 And I would just add as an aside that I understand in
20 reading articles that ratepayers are asked to pay 25 cents
21 of every dollar of that 4.5 million dollar salary and
22 shareholders pay the other three-quarters.

23 I would suggest to you that with that egregious amount
24 for that salary that shareholders should be paying the
25 entire amount. It is cruel and unnecessary for ratepayers

1 to be contributing to a 4.5 million dollar salary.

2 Please deny this rate increase. Please help this man
3 stay in his home feeling warm and secure with power bills
4 he can pay. Thank you.

5 And I would also comment that you received a letter
6 from Marty Johnston, who is the chair of the Planning and
7 Management Council for Aging & Long Term Care, and she goes
8 into the specifics about the numbers of people in the
9 five-county region that we represent and the numbers that
10 are under that poverty level and for whom this is an
11 extreme need for your compassion and concern about their
12 ability to pay bills.

13 So again, I thank you for the opportunity to be here
14 to meet you in person and to have this chance to give this
15 testimony.

16 I feel strongly about Whitman County. I have loved
17 living here, and I am pleased to be a part of the five
18 counties representing people of age and with disabilities
19 who need extra help and support.

20 Thank you. And if there are questions, I'm happy to
21 answer them.

22 COMMISSIONER DANNER: Thank you very much. May I ask
23 you, how many people do you serve with your organization?

24 MS. KIESSLING: I represent Whitman County and I can
25 -- I can't give you hard numbers, but I would be able to

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1 furnish that.

2 I would simply ask Aging & Long Term Care, but they
3 tend to count how many services they provide rather than
4 the people to whom they provide them. So it would be 4,000
5 receiving this kind of help and, of course, there are a
6 number of programs involved.

7 I can tell you though that aside from being a part of
8 the Planning and Management Council, I am a long-time
9 member of the League of Women Voters of Pullman and we
10 undertook a two-year poverty study of Whitman County from
11 2014 to 2016. We looked at eight areas and studied what
12 services were provided, who could qualify, and who was
13 involved.

14 And it was particularly important to us in Pullman
15 because the general consensus is that, "Sure, we have
16 poverty here but it's really just college students and that
17 doesn't count because they chose to do it and it's
18 temporary."

19 What we found out is there is a formula that the
20 Census Bureau has to extrapolate from small areas that have
21 an educational institution that skews their numbers.

22 What we found before we started was that the poverty
23 rate for Whitman County was 33 percent. That's higher -- a
24 lot higher than the state average.

25 What we found after we used the Census Bureau formula

1 to extrapolate that amount was that our poverty rate in
2 Whitman is 16 percent, which is, of course, a great drop
3 after removing all of the college students, but we're still
4 above the state average because the state average is 14
5 percent. Poverty is alive and well in Whitman County.

6 What we find is that we also have -- at least this is
7 our belief, that we have seniors who are independent and
8 they try to do what they can do without asking for help.
9 They feel a sense of shame about asking for support even
10 though they've worked hard and have earned it, and we
11 haven't necessarily -- DSHS hasn't necessarily found ways
12 to get past that.

13 We work on certain programs to make sure that our food
14 banks and food pantries are secure and so on and yet, we've
15 learned an awful lot in that poverty study.

16 For one thing -- speaking of food pantries -- it was a
17 surprise -- because we're not using them ourselves, it was
18 a surprise to us to learn that most food pantries -- and
19 it's true of Whitman County and it's true everywhere -- are
20 open for one or two hours a month. You can't live on the
21 food that you can get going to a food bank.

22 So there are all kinds of helps, but, again, this is
23 the population we serve. This person wants desperately to
24 stay in his home and these bills that he has to meet can
25 force him out of it.

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1 So we feel strongly that if there's a way to support
2 that person and help him remain where he wants to be and
3 he's worked hard to achieve that, we want to do that and we
4 ask your help and support in doing that.

5 We know you have to listen to a lot of different
6 voices and we appreciate that you came to hear ours. Thank
7 you.

8 CHAIRMAN DANNER: Thank you. We had a public
9 commentary hearing in Spokane where we heard from the
10 director of the Community Action Program.

11 Do you have -- and you have similar services down
12 here. How much is your organization tied into that?

13 MS. KIESSLING: There's Community Action, which is a
14 very active agency, here. Aging & Long Term Care of
15 Eastern Washington may, in fact, interact or support
16 various programs of theirs, but they have funding in a
17 variety of ways.

18 The Community Action Agency services -- excuse me --
19 based in Pullman are used throughout the county. They have
20 housing, they have emergency housing, they have --

21 I sit on a group -- a committee that's called the
22 Poverty Awareness Task Force and that group meets once a
23 month. There is police and fire and Community Action and
24 social service agencies and faith-based people, the
25 churches are there.

1 The needs, of course, are huge, but the fact that this
2 group will sit down together and say what -- it was
3 interesting to me because I'm an outsider in all of this.
4 I mean, I live in this area and I know a lot of people, but
5 I don't know that particular side of life.

6 The police and fire and Community Action cooperate
7 very strongly and have something called the Community
8 Relief Fund, which people contribute money to and we can
9 use that money to buy a bus ticket for somebody to get to
10 where their family is or it's used for purchasing food or
11 providing a night in a motel.

12 And, of course, some of those things crash when you
13 have a football weekend and there's no housing for any of
14 the communities around here. There's nothing in Moscow,
15 there's nothing in Pullman, there's nothing in Lewiston,
16 and there's nothing in Clarkston.

17 All of those motel rooms have been reserved for a year
18 ahead of time so you have -- but the idea that people come
19 together and work to try to solve those problems is really
20 heartening.

21 So, yes, Community Action is alive and well and
22 they're very energetic here and we do have all of those
23 social services programs, too.

24 And the Aging & Long Term Care has the dual thing of
25 helping seniors and helping support caregivers for seniors

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1 and for people with disabilities, those are the two
2 populations that we serve with a variety of programs.

3 CHAIRMAN DANNER: Thank you. Now, the letter from
4 Marty Johnston?

5 MS. KIESSLING: Yes.

6 CHAIRMAN DANNER: You've indicated that he has
7 submitted that?

8 MS. KIESSLING: She.

9 CHAIRMAN DANNER: She has submitted that to the UTC as
10 a part of a document?

11 MS. KIESSLING: Yes, she has. In fact, it was dated
12 October 20th and it's to you, "Dear Commission Members,"
13 and she -- I have a copy of that letter here.

14 In it, she makes the points about -- she says, "The
15 Planning and Management Council believes that if the given
16 general rate case settlement increase is granted to Avista
17 for electric and natural gas as nearly annually since 2006
18 and with looming budget cuts to social services, no
19 electric or natural gas rate increases should be granted.

20 "As the commission considers the Avista general rate
21 case for 2018, the council requests that you take into
22 account the following:"

23 And then she makes bullet points about the thing I
24 alluded to, the 2016 Elder Economic Insecurity Rate, the
25 EEIR:

1 "The percentage of retired seniors living in their own
2 homes whose incomes fall below the local Elder Economic
3 Security Standard Index suggests" -- and I lumped it up to
4 50, but she says, "that specifically, 47.6 percent of
5 seniors living alone lack the incomes they will need to
6 make ends meet and age in their own homes."

7 The next bullet point speaks to senior couples: "The
8 State Economic Insecurity Rate for senior couples is 22.9
9 percent. This rate stands in contrast to the state's
10 modest 4.2 percent poverty rate for senior couples.

11 "This difference reveals senior couples who are often
12 overlooked, but whose incomes don't allow them to escape
13 poverty's shadow. These seniors are more likely to go
14 without one or more basic needs and are less likely to
15 weather unforeseen expenses."

16 And then she speaks to senior incomes in our region
17 that do not keep pace with rate increases: "Many in our
18 area rely on Social Security, which was only increased by
19 .3 percent in 2017."

20 And her final bullet point is: "Many older adults in
21 our area qualify for Medicaid and we provided case
22 management services" -- excuse me -- "to over 4,000 low
23 income individuals receiving long-term care in 2016.

24 "The members of the Planning and Management Council
25 serve many clients who are low income and who must manage

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1 either chronic health problems or disabilities and
2 sometimes both."

3 And that point is important because very often those
4 two things go together, chronic health problems and
5 disabilities.

6 "An increase in residential rates for heat and light
7 impacts a segment of the population much more drastically
8 than others. As these individuals struggle to make ends
9 meet for food, medicine, transportation, and housing, the
10 proposed rate increases for residential customers are
11 simply too high."

12 And then she has signed it as the chair and the
13 members -- the letter you got has the members and all the
14 people in the Planning and Management Council.

15 In that five-county region all of them have
16 representatives, but Spokane and Spokane County have a very
17 large number of representatives because it's tied to
18 population.

19 Whitman has three, Stevens and Ferry -- I can't think
20 of the other counties that make up -- it's Spokane County,
21 Spokane, Whitman County, Ferry, and Stevens, and all have
22 representatives on that.

23 And you have -- do you have that later dated
24 October 20th in the file?

25 CHAIRMAN DANNER: Yes, I'm sure it's in our files.

1 MS. KIESSLING: I'm glad I got to come and read that.

2 CHAIRMAN DANNER: I do appreciate very much that you
3 came out tonight to share your views with us.

4 MS. KIESSLING: I appreciate the opportunity.

5 CHAIRMAN DANNER: As you were the only person to do
6 so, this is going to bring us to a close.

7 Unless you have questions?

8 MR. BALASBAS: Nope.

9 MS. KIESSLING: I'm always glad to see an early end to
10 a meeting. Thank you again for coming to Pullman.

11 CHAIRMAN DANNER: Well, thank you again for coming
12 out.

13 MS. KIESSLING: Safe travels home.

14 CHAIRMAN DANNER: Thank you very much.

15 All right. Is there anyone else in the room who
16 wishes to speak?

17 I think we are adjourned.

18 (Proceedings concluded at 6:34 p.m.)

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