Mark L. Johnson **Executive Director and Secretary** Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, WA 98504-7250

June 21, 2018

Re: Avista Proposed Revisions to Tariff Schedule 80, Customer Choice Revisions to Tariff Schedule 80, Customer Choice Revisions to Tariff Schedule 80, Customer Choice Revisions UE-180418 & UG-180419

Dear Mr. King,

The Energy Project (TEP) respectfully provides these comments for the Commission's consideration of this matter at the June 28, 2018 Open Meeting. Consistent with the Commission's recent Policy Statement in Docket No. U-180117,¹ Avista has proposed revisions to its tariff schedules 80 and 180 in order to provide certain residential customers with an option to opt-out of smart meter installation. TEP recommends a few modifications, including elimination of the proposed monthly meter reading charge for customers receiving energy assistance who elect to opt-out of an Advanced Metering Infrastructure (AMI) meter.

For customers electing to opt-out of an AMI meter, Avista proposes an additional charge of \$40 per bi-monthly meter read, or \$20 per month. As a general matter, our understanding is that meter reading costs are currently recovered in existing rates for residential customers. Avista's filing is silent as to whether the company anticipates reducing rates in the future to reflect reduced meter reading costs once AMI is fully deployed. Since existing rates include meter reading costs, it is not self-evident that Avista will necessarily incur costs above the levels embedded in existing rates for meter reading associated with opt-out customers.

Regardless, an added monthly fee of \$20 would most certainly "create hardships for those with limited resources," a concern raised by the Commission in its Policy Statement [para. 23]. The charge would effectively preclude these households from considering the opt-out option. "With this in mind," the Commission stated, "we encourage companies to bring forward creative solutions to further alleviate the opt-out fee impact on low-income customers." [para 23] Avista contends in their filing that because six different



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<sup>&</sup>lt;sup>1</sup> In the Matter of the Commission Inquiry into Customer Choice for Advanced Meter Installation, Docket U-180177, Policy and Interpretive Statement on Customer Choice for Advanced Meter Installation (Policy Statement)

Community Action Partnership agencies conduct eligibility for low-income assistance programs, and they would assess a "per-customer administration fee," it would be cost prohibitive to attempt to also verify selection of customer utility equipment. Our understanding, however, is that Avista is able to identify which of its customers are receiving energy assistance through LIRAP, LIHEAP, or any other income eligible assistance program. These customers are already income-qualified and no eligibility determination administration fee should be required. TEP recommends that any customers receiving such energy assistance who elect to opt-out of AMI should have the monthly meter reading fee waived.

Additionally, Avista proposes to limit the opt-out option to residential customers residing in single family homes. The proposed tariff expressly states that residential customers residing in "duplexes, apartment complexes" would be excluded. It would appear that the most relevant factor for the opt-out program is whether or not the customer's residence has an individual meter (as opposed to a master meter), rather than whether the premise is a single-family home or a duplex, triplex or fourplex, etc. For purposes of comparison, Avista's residential energy efficiency rebates are available to primary residential single family up to a fourplex, including manufactured and modular homes, and the low-income weatherization program is able to serve larger multi-family structures. In this regard, Avista's proposed tariff language may be unnecessarily restrictive, as there may be duplex or other residential structures that have a single meter and thus should also be afforded an option to opt-out of AMI if they desire.

TEP and the CAP agencies are committed to working with Avista and other stakeholders to ensure that low-income customers in Avista's service territory (nearly 40% of their residential customer base) are not disproportionately impacted by increased costs associated with the opt out option. TEP and the CAP agencies can also assist where possible with an awareness campaign of the opt out option. We look forward to the continued conversation at the Open Meeting and beyond.

Sincerely,



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