

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of  
  
Avista Corporation, d/b/a Avista Utilities,  
  
Petitioner,  
  
For An Order Authorizing Approval of  
Changes to the Company's Low-Income  
Rate Assistance Program

DOCKETS UE-190646 & UG-190648  
  
ORDER 01  
  
ORDER GRANTING PETITION

**BACKGROUND**

- 1 On August 1, 2019, Avista Corporation d/b/a Avista Utilities (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition (Petition) seeking an Order authorizing certain modifications related to the Company's Low-Income Rate Assistance Program (LIRAP).
- 2 On August 19, 2019, Avista filed requests to withdraw the proposed tariff changes from Dockets UE-190646 and UG-190648, and re-filed the proposed tariff changes as standalone tariff revisions in Dockets UE-190695 and UG-190696.<sup>1</sup> Thus, the petition filed in Dockets UE-190646 and UG-190648 seeks a Commission order approving the programmatic changes, while the tariff revisions filed in Dockets UE-190695 and UG-190696 implement the programmatic changes described in the petition. A change in overall LIRAP funding is not required at this time to implement proposed modifications.
- 3 Avista's Petition requests approval for proposed changes to its Senior and Disabled programs offered under LIRAP. Most notably, Avista proposes to (a) phase out the existing grant-based Senior and Disabled Energy Outreach program (Grant Program) by September 30, 2021, and (b) make permanent the Senior and Disabled Rate Discount Pilot program (Pilot). The two-year plan to phase out the grant-based program provides for a customer transition period.

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<sup>1</sup> In Docket UE-190695, Avista proposes revisions to Electric Tariff WN U-28, Schedules 02, 89, and 92, and in Docket UG-190696, Avista proposes revisions to Gas Tariff WN U-29, Schedules 102, 189, and 192A.

- 4 Avista proposes to modify certain aspects of the Senior and Disabled Rate Discount program as it transitions to permanent status, including increasing the income criteria from 126-200 to 151-200 percent of the Federal Poverty Line (FPL), and expanding eligibility to variable-income applicants. Avista also proposes to expand the number of Community Action Agencies (Agencies) that may offer the service; all six Agencies within the Company's service territory would be eligible to participate in administration of the program. Each Agency that has not offered the Senior and Disabled Rate Discount program will be provided with \$10,000 start-up funds from the LIRAP direct service fund balance.
- 5 Staff has reviewed Avista's proposed changes to its Senior and Disabled programs offered under LIRAP and believes they are appropriate. Staff recommends that the Commission approve the proposed changes. The Rate Discount Pilot has proven more effective than the Grant Program in engaging new customers, lowering energy burden, and reducing disconnections for the targeted households. Further, the permanent Rate Discount Program will be able to reach more customers because it would not be limited by the participation cap in the initial Pilot and it benefits from expanded Agency participation.
- 6 Staff believes that changes to the income criteria are also appropriate. Avista's LIRAP Heat program has an income cap of 150 percent of the FPL, while the federal Low Income Home Energy Assistance Program (LIHEAP) is only available to households at or below 125 percent of the FPL. The proposed Rate Discount program, with its income eligibility criteria of 150-200 percent of the FPL, will therefore make energy assistance available to senior and disabled households that otherwise would not qualify for LIHEAP or LIRAP Heat benefits.
- 7 Avista's LIRAP Advisory Group held several targeted conferences in 2019 to collaborate and reach consensus on the Senior and Disabled program modifications, and the Company's proposed modifications reflect the results of that effort. The Energy Project and Public Council filed letters in support of Avista's petition, commending the efforts of the Company and the Advisory Group.

## **DISCUSSION**

- 8 The Commission agrees with Staff's recommendation. We allow utilities broad latitude in managing their low-income program offerings and we rely on low-income advisory groups to help guide utility low-income programs. It is clear that the proposed

modifications were developed in consultation with Avista's LIRAP Advisory Group and are supported by residential and low-income customer advocates, as well as by Staff.

9 The proposed changes also align with important objectives of low-income programs: lowering energy burden, reducing disconnections, and reaching more customers. The Commission notes that the Senior and Disabled Rate Discount Program appears to be effective in meeting those objectives and, therefore, agrees that offering the program on a permanent basis is reasonable.

10 Accordingly, we determine that it is appropriate to approve the modifications to Avista's Low-Income Rate Assistance Program as requested, including the continuation of the Senior and Disabled Rate Discount Program on a permanent basis, inclusive of the modifications listed in Petition, and the planned phase out the Grant Program by September 30, 2021.

### FINDINGS AND CONCLUSIONS

11 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric and natural gas companies.

12 (2) Avista is a public service company subject to Commission jurisdiction.

13 (3) WAC 480-07-370(3), allows companies to file petitions including that for which Avista seeks approval.

14 (4) This matter came before the Commission at its regularly scheduled meeting on August 29, 2019.

15 (5) After reviewing Avista's petition filed in Dockets UE-190646 and UG-190648 on August 29, 2019, and giving due consideration to all relevant matters and for good cause shown, the Commission finds that the Petition is consistent with the public interest and should be granted.

**ORDER**

**THE COMMISSION ORDERS:**

- 16 (1) Avista Corporation d/b/a Avista Utilities' request to approve the modifications to the Avista Corporation d/b/a Avista Utilities' Low-Income Rate Assistance Program, including the continuation of the Senior and Disabled Rate Discount Program on a permanent basis, inclusive of the modifications listed in Petition, is granted.
- 17 (2) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it. Nor shall this Order granting the Petition be construed as an agreement to any estimate or determination of costs, or any valuation of property claimed or asserted.
- 18 (3) The Commission retains jurisdiction over the subject matter and Avista Corporation d/b/a Avista Utilities to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective August 29, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON, Executive Director and Secretary