

July 20, 2023

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Via Electronic Filing

Attn: Amanda Maxwell, Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE P.O. Box 47250 Lacey, WA 98503

Re: Cascade Arrearage Relief Energy Savings Program Tariff Filing (Docket UG-230551)

Dear Director Maxwell:

The NW Energy Coalition (NWEC) is an alliance of over 100 environmental, civic, and human service organizations, progressive utilities, and businesses. Our mission is to advance clean, equitable, and affordable energy policies in Oregon, Washington, Idaho, Montana and British Columbia. We envision the Northwest comprised of communities that benefit from a carbon-free energy system that equitably meets the needs of people and preserves the region's natural resources.

As a member of Cascade Natural Gas's Washington Energy Assistance Advisory Group, NWEC has been working with the Company on the design of the Cascade Arrearage Relief Energy Savings (CARES) program since November 2022. We applaud the collaboration between the Company and its Advisory Group since November and are excited for the CARES program to expand access to energy assistance to more low-income Washingtonians. We also note that while CARES will approach assistance in a new way that will undoubtedly alleviate low-income customer energy burden, it was not designed to address the racial disparities in utility disconnection practices that have been discussed in U-200281 and U-210800.

Over the past year, NWEC has also helped design Avista and Puget Sound Energy's bill discount rate programs as a member of their respective low-income advisory groups. While we prefer that Cascade, Avista, and Puget Sound Energy have the same effective date of August 11, 2023 for ease, efficiency, and effectiveness of public and stakeholder participation, we offer recommendations below on Cascade's CARES program tariff.

Consistent with the feedback provided to the Company on its draft tariff filing by the NW Energy Coalition, The Energy Project and Public Counsel, we request four changes to the tariff:

1. Delete the table with the LIHEAP income adjustments under the subsection Low-Income Definition and instead say "inclusive of deductions used by the

Low Income Home Energy Assistance Program." It should read as the following:

"A customer is considered low-income if their gross cumulative household income, inclusive of deductions used by the Low Income Home Energy Assistance Program, for a specific timeframe within the last twelve months, extrapolated for twelve months, does not exceed 80% of the county's area median income (AMI) or 200% Federal Poverty Level (FPL) for a household with the same number of occupants."

We agree that the table is how the Advisory Group agreed to make LIHEAP deductions and calculate income and provides additional detail for the reader. However, this level of detail about income-qualification would require tariff revisions to reflect future changes to LIHEAP's methodology, which occur periodically. The language proposed above is consistent with the language Avista proposes in its bill discount rate program tariff.

2. Remove the phrase "temporarily suspended" from the tariff subsection *Energy Discount Terms and Conditions* because customers could view it as hostile and confusing.

We should not inform customers that they are "temporarily suspended" from the CARES program. Alternatively, tariff language should say that the bill discount rate "will be paused and applied to the monthly net bill, after state or federal financial assistance is applied". This language still accurately defines the process. The tariff language should not remove a customer from the program, but rather just specify the order in which benefits are applied to a customer's account. This change will also eliminate customer confusion for customers who would have entered into the program and seen that they have been "suspended".

3. The bill discount should be applied to the customer's remaining bill in the same month that the LIHEAP grant is exhausted. If Cascade cannot automate its billing software to implement this change by October 1, 2023, we accept a commitment from the Company to implement the change by a date certain the future, e.g., October 1, 2024, after the Company has consulted with its Advisory Group.

According to the Company's proposed tariff, if the final remainder of the LIHEAP credit only covers a small fraction of a customer's month's bill, the customer will not receive a discounted bill for the remaining larger portion. Instead, the bill discount rate would go back into effect the following month. Advisory Group members expressed concern about this process, and asked the Company to provide the bill discount rate to the remaining balance in the same month that LIHEAP credit expires. We believe that doing so will most benefit the customer, and once again encourage consistency with Avista's proposed tariff.

4. Specify the targeted energy burden used to design the discount percentage in the tariff.

The Advisory Group designed the discounts to reduce participants' energy burden to under

the 6% threshold set in WAC 194-40-030¹. Because the discount percentages may be adjusted in the future to ensure that Cascade customers' energy burden does not exceed 3% (i.e., half of a customer's energy burden from utility gas service), and because the people looking to revise the tariff in the future may be unaware of this goal, NWEC recommends specifying the targeted energy burden of 3% in the tariff.

Thank you for the opportunity to comment.

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¹ WAC 194-40-030, https://app.leg.wa.gov/wac/default.aspx?cite=194-40-030