

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS
CORPORATION,

Respondent.

DOCKET UG-240008

CASCADE NATURAL GAS CORPORATION

DIRECT TESTIMONY OF NOEMI ORTIZ

March 29, 2024

TABLE OF CONTENTS

I. INTRODUCTION 1

II. SCOPE AND SUMMARY OF TESTIMONY 2

III. THE INCLUSION OF AN EQUITY LENS AT CASCADE NATURAL GAS 3

IV. THE EQUITY ADVISORY GROUP 11

V. USE OF THE EAG IN THIS MULTIYEAR RATE PLAN 19

VI. FUTURE APPLICATION OF AN EQUITY LENS AT CASCADE..... 20

VII. CONCLUSION..... 22

LIST OF EXHIBITS

- Exh. NO-2 Vulnerable Communities in Cascade's Service Territory
- Exh. NO-3 Economically Disadvantaged Cities, Towns, and Counties in Washington State
- Exh. NO-4 Department of Health Washington Tracking Network
- Exh. NO-5 Office of Financial Management Limited English-Speaking Households
- Exh. NO-6 Consumer Financial Protection Bureau's 2023 Rural and Underserved Counties
- Exh. NO-7 Equity Advisory Group Solicitation Email
- Exh. NO-8 Equity Advisory Group Applicant Questionnaire
- Exh. NO-9 Cascade Equity Advisory Group Charter
- Exh. NO-10 Equity Advisory Group 2023-2024 Monthly Meeting Schedule
- Exh. NO-11 Equity Advisory Group Meeting Agendas
- Exh. NO-12 Equity Advisory Group Meeting Materials.
- Exh. NO-13 Equity Advisory Group Feedback and Tracking
- Exh. NO-14 CARES Income Eligibility Transparency for Website

1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Noemi Ortiz. My business address is 8113 W Grandridge Blvd.,
4 Kennewick, Washington, 99336.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by the Cascade Natural Gas Corporation (“Cascade” or “Company”).
7 I am the Manager of Energy Efficiency Programs.

8 **Q. How long has Cascade employed you?**

9 A. I have been employed by Cascade since July 18, 2022.

10 **Q. What are your duties as Manager of Energy Efficiency Programs?**

11 A. I am responsible for the Company’s equity initiatives including establishing the
12 Company’s Equity Advisory Group (“EAG”), facilitating EAG meetings, and
13 managing relationships with EAG members, which means communicating with
14 them, compensating them for their time, and ensuring the Company responds to their
15 questions and concerns.

16 I also manage Cascade’s low-income conservation programs in Washington
17 and Oregon, which includes overseeing program administration, implementation, and
18 outreach, as well as the Company’s engagement with both the Washington and
19 Oregon Conservation Advisory Groups, and the Cascade Arrearage Relief and
20 Energy Savings (“CARES”) and Oregon Low-Income advisory groups.

1 My responsibilities have recently expanded to include oversight of the
2 Company's voluntary renewable natural gas ("RNG") programs in Washington and
3 Oregon.

4 **Q. Briefly describe your educational and relevant employment experience.**

5 A. I hold a bachelor's degree in law and justice from Central Washington University,
6 and I am one semester from having my master's in business administration from
7 Western Governors University. Before joining Cascade in my current role, I worked
8 nine years for the Northwest Community Action Agency ("NCAC"), a division of
9 the Yakima Valley Farm Workers Clinic. At NCAC, I had progressively increasing
10 responsibilities in providing social services and energy efficiency services to
11 vulnerable and disadvantaged residents in Yakima County. Most of my time with
12 NCAC was spent managing the department that provided whole-house
13 weatherization services to qualifying low-income residents of Yakima County,
14 which is where I live and raise my family.

15 **II. SCOPE AND SUMMARY OF TESTIMONY**

16 **Q. What is the scope of your testimony in this proceeding?**

17 A. The purpose of my testimony is to discuss the actions Cascade has taken in response
18 to the Commission's definition of and guidance on integrating an equity lens into its
19 decision-making processes, as provided in the Commission's Final Order 09, issued
20 in Docket UG-210755 ("Final Order 09"), of Cascade's most recent general rate
21 case.¹

¹ *WUTC v. Cascade Nat. Gas Corp.*, Docket UG-210755, Final Order 09 Approving and Adopting Settlement Agreement Subject to Conditions (Aug. 23, 2022) ("Final Order 09").

1 **Q. Do you sponsor any exhibits in support of your recommendations?**

2 A. Yes, I sponsor the following exhibits in support of my testimony:

- 3 • Exh. NO-2 Vulnerable Communities in Cascade’s Service Territory
- 4 • Exh. NO-3 Economically Disadvantaged Cities, Towns, and Counties in
5 Washington State
- 6 • Exh. NO-4 Department of Health Washington Tracking Network
- 7 • Exh. NO-5 Office of Financial Mgmt Limited English-Speaking
8 Households
- 9 • Exh. NO-6 Consumer Financial Protection Bureau's 2023 Rural and
10 Underserved Counties
- 11 • Exh. NO-7 Equity Advisory Group Solicitation Email
- 12 • Exh. NO-8 Equity Advisory Group Applicant Questionnaire
- 13 • Exh. NO-9 Cascade Equity Advisory Group Charter
- 14 • Exh. NO-10 Equity Advisory Group 2023-2024 Monthly Meeting
15 Schedule
- 16 • Exh. NO-11 Equity Advisory Group Meeting Agendas
- 17 • Exh. NO-12 Equity Advisory Group Meeting Materials
- 18 • Exh. NO-13 Equity Advisory Group Feedback and Tracking
- 19 • Exh. NO-14 CARES Income Eligibility Transparency for Website

20 **III. THE INCLUSION OF AN EQUITY LENS AT CASCADE NATURAL GAS**

21 **Q. When did Cascade learn about equity as a perspective to be applied in decision-**
22 **making processes?**

23 A. Cascade became aware of equity as a guiding principle in about 2019, when the
24 Washington Legislature passed House Bill 1783, which prompted the Office of the
25 Governor to create the Washington State Office of Equity.² The concept of equity

² See Chapter 43.06D, RCW.

1 and how it applied to a regulated utility remained unclear to Cascade, as the
2 Company stated in its 2021 general rate case.³

3 In Final Order 09, however, the Commission clarified its definition of “public
4 interest” to include equity consideration and defined the following four tenets of
5 energy justice, which are necessary for achieving equity: (1) distributional justice,
6 (2) procedural justice, (3) recognition justice, and (4) restorative justice.⁴

7 Prior to the issuance of Final Order 09, Cascade focused on traditional cost-
8 of-service ratemaking as the lens through which it made most of its business
9 decisions. Upon absorbing the contents of this rate case order, Cascade realized it
10 needed to internalize equity. The Company understood that it needed to begin
11 applying equity as a lens in all aspects of its business, and that it needed to initiate a
12 top-down approach toward implementing this change in perspective.

13 Making such a significant paradigm shift takes time, and Cascade started
14 implementing change in 2022, before Final Order 09 was issued, by posting the
15 position which I now fill. This position is intended to be a resource for understanding
16 equity and moving the Company forward in the adoption of an equity lens. Since
17 joining Cascade, I have continued to work diligently in meeting this goal.

18 **Q. What qualifications make you suitable to lead the equity initiative for Cascade?**

19 A. Besides my formal education and my professional experience as a manager at a
20 Community Action agency, my intersectionality as a non-white, Latina, Spanish-

³ *WUTC v. Cascade Nat. Gas Corp.*, Docket UG-210755, Settling Parties’ Post-Hearing Brief in Support of Multiparty Settlement at ¶ 51 (July 1, 2022) (Describing the lack of specific guidance on equity as related to RCW 80.28.425).

⁴ Final Order 09 at ¶¶ 52 and 56.

1 speaking female, working mother, and daughter of immigrant parents gives me a
2 broad understanding of the disadvantaged, highly impacted, and hard-to-reach
3 communities in Cascade’s service territory. My voice is their voice, and I empathize
4 with the experience of being part of marginalized communities.

5 My lived experience is extensive. I currently reside in one of the most highly
6 impacted communities in Washington, where 90 percent of the population is
7 Hispanic. I grew up in a family of seven, living on twelve thousand dollars a year,
8 with parents working in agriculture, not knowing at times where our next meal
9 would come from. Living from food pantries, churches, and other community
10 resources, we accessed the same low-income resources I have dedicated my career to
11 providing. At a very young age I became the interpreter and translator for my
12 parents, who are non-English speakers. I learned to advocate for my family and
13 others at a young age. My siblings and I used to work on farms and in orchards with
14 my parents before school and every summer. My father repeatedly told us, “I don’t
15 bring you to work with me because we need the money; I bring you with me,
16 because you need to see and understand this is not easy and it is not the life I want
17 for you. You need to work hard, go to school, and make something of yourselves;
18 don’t be like your dad.” So, in vulnerable, disadvantaged faces, I am reminded of my
19 family, my loved ones, and our struggles.

20 **Q. How does Cascade interpret the term equity lens?**

21 A. Cascade understands that pursuant to RCW 43.06D.010(4), an equity lens “means
22 providing consideration to the characteristics listed in RCW 49.60.030, as well as
23 immigration status and language access, to evaluate the equitable impacts of an

1 agency's policy or program.” The characteristics listed in RCW 49.60.030 are, “race,
2 creed, color, national origin, sex, sexual orientation, or the presence of any sensory,
3 mental, or physical disability or the use of a trained dog guide or service animal by a
4 disabled person.” But to break this down into terms that are more readily understood,
5 Cascade understands the process through which an equity lens is applied is best
6 defined through the four tenets of energy justice.

7 **Q. Please explain how the four tenets of energy justice are the framework of an**
8 **equity lens.**

9 A. The Commission, in Final Order 09, defines the four core tenets: (1) recognition
10 justice, (2) procedural justice, (3) distributional justice, and (4) restorative justice.⁵

11 Below, Cascade further defines the tenets, explaining how each tenet is a step in a
12 collaborative and data driven process that Cascade is striving to internalize into its
13 daily work:

14 1) Recognition Justice refers to understanding and acknowledging historical and
15 ongoing inequalities. Cascade recognizes that it cannot apply an equity lens if
16 it does not first acknowledge that inequities have existed and continue to
17 exist. To do this Cascade needs to identify its vulnerable populations and then
18 identify what inequities they are experiencing. The Company may have
19 contributed to systemic injustice through a lack of awareness, and it could
20 perpetuate inequities if it does not seek to revise its processes, perspectives,
21 and decision-making practices. Simply put, identifying the problem is the
22 first step.

23 2) Procedural Justice means that the Company should seek to collaborate
24 transparently with a broad range of constituents within its service territory
25 when it makes a decision that will impact customers directly or indirectly. A
26 genuine offer to collaborate must include consideration of anything that
27 might hinder a conversation, including the language spoken, the availability
28 of childcare and transportation, non-traditional meeting times, etcetera.

⁵ Final Order 09 at ¶ 56.

- 1 3) Distributional justice refers to the distribution of benefits and burdens across
2 populations with the goal of ensuring that marginalized and vulnerable
3 populations do not receive an inordinate share of the burdens or are not
4 denied access to benefits. Cascade understands this tenet to refer to the
5 collection of non-anecdotal data. An example of data collection that would
6 identify inequities is presented in the eighth exhibit to the direct testimony of
7 Daniel L. Tills, Exh. DLT-9. In his direct testimony, Exh. DLT-1T, Daniel L.
8 Tillis explains the Company’s use of customer billing data related to
9 arrears, disconnections for nonpayment, and participation in low-income
10 bill pay assistance programs for customers living in highly impacted
11 communities.⁶ The goal of the work for the distributional justice step is to
12 identify where outcomes differ among customers.
- 13 4) Restorative Justice is using regulatory outcomes such as tariff or rate case
14 filings for rate discounts or new programs to address or change inequities
15 identified through the distributive justice process or the data collection
16 process.

17 Each tenet is a step in a systematic process towards incorporating an equity lens into
18 all of Cascade’s business processes.

19 **Q. How do your definitions of the four tenets differ from the Commission’s**
20 **definitions provided in Final Order 09?**

21 A. The Commission’s definitions are based on principles spelled out in
22 RCW 43.06D.020 and supported by published work conducted by energy justice
23 leaders.⁷ My definitions are not meant to differ from the Commission’s, but are
24 intended to incorporate, clarify, and give examples to the Commission’s definitions.

25 **Q. Where does Cascade believe inequities exist?**

26 A. When applying an equity lens, the Company is looking for inequities in the
27 following customer groups:

⁶ See also Exh. DLT-10, Highly Impacted Community Report for December 2023.

⁷ See Final Order 09 at note 35.

1 • **Tribal Lands**. Tribal lands refers to “Indian Country” as defined in U.S.C. Sec.
2 1151, which states:

3 (a) all land within the limits of any Indian reservation under the
4 jurisdiction of the United States Government, notwithstanding the
5 issuance of any patent, and, including rights-of-way running
6 through the reservation, (b) all dependent Indian communities
7 within the borders of the United States whether within the original
8 or subsequently acquired territory thereof, and whether within or
9 without the limits of a state, and (c) all Indian allotments, the
10 Indian titles to which have not been extinguished, including rights-
11 of-way running through the same.

12 • **Overburden Community**. An overburdened community is defined in
13 RCW 19.405,929 as “a geographic area where vulnerable populations face
14 combined, multiple environmental harms and health impacts, and includes, but is
15 not limited to, highly impacted communities.”

16 • **Highly Impacted Community**. A highly impacted community is any census
17 tract that is tribal lands or that the Washington State Department of Health has
18 assigned a rank of nine or ten on the Environmental Health Disparities map.
19 When ranking census tracts, the Department of Health looks at the risks a
20 community faces, including environmental burdens such as fossil fuel pollution
21 and vulnerability to climate change and its effects on health. Highly impacted
22 community maps may be found on the Department of Health’s interactive
23 webpage, and Daniel L. Tills provides highly impacted community maps from
24 Cascade’s geographical information system in the ninth exhibit to his direct
25 testimony, Exh. DLT-10.⁸

⁸The Washington State Department of Health’s interactive Environmental Health Disparities Map v 2.0 may be accessed here: <https://fortress.wa.gov/doh/wtnibl/WTNIBL/>.

- 1 • **Vulnerable Populations**. The Clean Energy Transformation Act (“CETA”),
2 defines vulnerable population as:
3 [C]ommunities that experience a disproportionate cumulative risk from
4 environmental burdens due to:
5 (a) Adverse socioeconomic factors, including unemployment, high housing
6 and transportation costs relative to income, access to food and health care,
7 and linguistic isolation; and
8 (b) Sensitivity factors, such as low birth weight and higher hospitalization.⁹
9
- 10 • **Named Community**. A named community is another term often used to apply to
11 either a vulnerable population, a highly impacted community, or both.

12 **Q. What has contributed to the Company’s understanding of an equity lens?**

13 A. As mentioned, Final Order 09 was foundational in providing and defining terms.
14 Cascade has further learned about equity in other Commission orders including
15 Order 24 issued in Puget Sound Energy’s 2022 general rate case, and Order 10
16 issued in Avista Corporation’s 2022 general rate case.¹⁰ While CETA is not
17 applicable to gas utilities, Cascade finds it useful in providing guidance on how to
18 examine the distribution of energy benefits and burdens.

19 Cascade has also reviewed intervenor comments in various Commission
20 dockets, some of which cite academic papers on equity. Also, collaboration with
21 Commission Staff has also been helpful. For example, Commission Staff gave
22 Cascade a presentation on applying an equity lens to integrated resource planning,
23 which Cascade staff found enlightening. In addition to these resources, the Company

⁹ RCW 19.405.020(40).

¹⁰ *WUTC v. Puget Sound Energy*, Dockets UE-220066 *et al.*, Final Order 24/10 Rejecting Tariff Sheets; Approving Settlements, with Conditions; Authorizing and Requiring Compliance Filing (Dec. 22, 2022), and *WUTC v. Avista Corp.*, Dockets UE-220053 *et al.*, Final Order 10/04 Rejecting Tariff Sheets; Granting Petition; Approving and Adopting Full Multiparty Settlement Stipulation Subject to Conditions; Authorizing and Requiring Compliance Filing (Dec. 12, 2022).

1 has performed independent research using publicly available sources to understand
2 the disadvantaged, burdened, and vulnerable communities in its service territory. See
3 Exh.NO-3, Exh. NO-4, Exh.NO-5, and Exh. NO-6 for the publicly available data
4 resources the Company used. Overall, since the issuance of Final Order 09, Cascade
5 has been seeking out discussions and reviewing material on equity within the
6 regulatory framework.

7 **Q. Where is Cascade now in its process of applying equity to its decisions and**
8 **planning?**

9 Cascade understands that moving from the pure cost-causation lens it has
10 applied for decades to an equity lens—a shift from treating all customer classes the
11 same to treating subsections of customer classes differently to create an equal
12 outcome—is a huge paradigm shift and it cannot happen quickly. The Company’s
13 growth and understanding is iterative. Cascade has applied the tenet of recognition
14 justice in that it understands that its historic actions—however “just, fair, and
15 reasonable” they were deemed in established processes at one time—may have
16 contributed to inequities among its customers. The next step, which Cascade has
17 focused on in 2023, is the application of procedural justice, or rather building the
18 structures and the relationships to facilitate collaboration with others. It is within
19 these collaborative forums that Cascade will define inequities with data (distributive
20 justice) and then seek to mitigate them (restorative justice).

21 **Q. How is Cascade planning to collaborate with others?**

22 A. Cascade collaborates with various stakeholders through its Conservation Advisory
23 Group, CARES Advisory Group, and its Technical Advisory Group. Cascade

1 understands that this collaboration, while useful, may not be sufficient to drive
2 equitable change. Therefore, the Company has created the EAG.

3 IV. THE EQUITY ADVISORY GROUP

4 **Q. Who is the EAG?**

5 A. The EAG is a collaborative forum comprised of seven members of the community
6 who provide representation for the following six community groups:

- 7 1. Highly Impacted Communities, Marginalized Populations, Low-Income
8 Representation,
- 9 2. Named Community Resource: Public Health Advocate,
- 10 3. Named Community Resource: Sustainable Living Center,
- 11 4. Named Community Resource: Public Mental Health and Social Services
12 Advocate,
- 13 5. Named Community Resource: Education Service District 105, and
- 14 6. Yakama Nation Tribes; Black, Indigenous, and People of Color (“BIPOC”)
15 Community

16 Representatives from Public Counsel and Commission Staff participate in the EAG
17 in advisory roles.

18 **Q. How did Cascade select its EAG members?**

19 A. The Company performed extensive research to find EAG representatives from
20 vulnerable communities within Cascade’s service territory.

21 **Q. Please describe Cascade’s research to identify vulnerable communities.**

22 A. First, Cascade identified all communities served within the Company’s Washington
23 service territory. Next, Cascade used various data sources citing or ranking attributes
24 impacting the economic and environmental health and the livability for each city

1 served by Cascade. The data sources are provided in Exh. NO-2, Exh. NO-3, Exh.
2 NO-4, Exh. NO-5, and Exh. NO-6. The attributes included the communities’
3 rankings for being disproportionately impacted by toxins and climate change policy,
4 the communities’ economically disadvantaged rankings, overall populations, and the
5 predominant races or ethnicities among residents. Next, the Company identified the
6 fourteen most disadvantaged communities in Cascade Natural Gas’ service territory.
7 This work is presented in the “Comm Serv. HICs” tab of Exh. NO-2. Cascade
8 determined it wanted the EAG members it selected to live in and represent one of
9 these fourteen communities.

10 **Q. What are the defining characteristics of these fourteen communities?**

11 A. Cascade learned that its most vulnerable communities are ranked between 80-98
12 percent “economically disadvantaged,” defined by the Department of Ecology as
13 follows:

14 A city, town, or county is economically disadvantaged if its per
15 capita income is equal to or below the median per capita income
16 for that location as determined on July 1st of each odd numbered
17 year, based on the latest official American Community Survey
18 five-year estimates of the U.S. Department of Commerce[.]¹¹

19 Besides economic instability, these vulnerable communities tend to have
20 predominantly Hispanic populations with one to five percent American Indian
21 residents.

¹¹ See page 6 of Exh. NO-3, The Washington State Department of Ecology, “Economically Disadvantaged Cities, Towns, and Counties in Washington State (2021-2023 biennium).”

1 **Q. What resources did you use to identify vulnerable communities?**

2 A. Cascade used the following publicly available resources to perform the Company’s
3 research of vulnerable communities in Cascade’s service territory that is presented
4 and cited in Exh. NO-2, Vulnerable Communities in Cascade’s Service Territory:

5 • “Economically Disadvantaged Cities, Towns, and Counties in Washington
6 State” issued by the Washington State Department of Ecology in August
7 2021. This report, attached as the Exh. NO-3, focuses on census tracts
8 affected by environmental damage, toxins, waste management, and climate
9 change policy.

10 • The Washington State Department of Health’s Washington Tracking
11 Network, which is an interactive webpage for various disparities by census
12 tract¹² Cascade’s work is captured in Exh. NO-4, Department of Health
13 Washington Tracking Network.

14 • The Office of Financial Management’s website, which provides the
15 percentage of households per county where English is not the primary
16 language of choice.¹³ The data used from this site is presented in Exh. NO-5,
17 Office of Financial Management Limited English-Speaking Households.

18 • The Consumer Financial Protection Bureau’s 2023 list of counties per state
19 that are predominately rural and underserved communities.¹⁴ Cascade’s
20 analysis from this resource is provided in Exh. NO-6, Consumer Financial
21 Protection Bureau’s 2023 Rural and Underserved Communities.

22 **Q. Why did you choose to use additional resources beyond the Department of**
23 **Health’s identification of highly impacted communities, which is recognized by**
24 **the state as a comprehensive review of burdened communities by census tract?**

25 A. The Department of Health’s highly impacted community data is tremendously
26 useful, but it was important for the Company to take a deeper dive into knowing the

¹² The Washington State Department of Health, Environmental Health Disparities Map v 2.0, available at: <https://fortress.wa.gov/doh/wtnibl/WTNIBL/>.

¹³ Office of Financial Management, <https://ofm.wa.gov/tags/social-economic-data>, accessed January 1, 2024.

¹⁴ Consumer Financial Protection Bureau, <https://www.consumerfinance.gov/compliance/compliance-resources/mortgage-resources/rural-and-underserved-counties-list/>, accessed January 1, 2024.

1 communities it serves. The Department of Health’s highly impacted community data
2 was based on 2018 census data, and Department of Ecology’s report, included as
3 Exh. NO-3, is current only through 2021.¹⁵ Besides wanting to review more current
4 information, Cascade needed to understand different angles on how communities
5 within its service territory are disadvantaged.

6 **Q. How did Cascade notify members within the identified communities that it was**
7 **seeking EAG representatives?**

8 A. Once the target audience was identified using the research protocol discussed above
9 and presented in Exh. NO-2, Cascade used multiple outreach methods, such as calls,
10 emails and meetings with partners, individuals, and workers from community-based
11 organizations to find people with lived experience who could potentially join the
12 EAG to represent traditionally underserved customers and highly impacted
13 communities. Cascade mailed an application for joining the EAG to the target
14 audiences. Simultaneously, Cascade’s Customer Experience Team initiated an email
15 campaign to all customers in cities or towns who were identified as economically
16 disadvantaged pursuant to Exh. NO-3. See Exh. NO-7 for a copy of the English
17 version of the material sent to target audiences; this content was distributed in both
18 English and Spanish.

19 These efforts resulted in thirteen applicants. Applicants were asked to answer
20 a number of questions to identify those who had lived experience within a vulnerable
21 community. See Exh. NO-8, EAG Applicant Questionnaire. After reviewing each

¹⁵ The Washington State Department of Health, Environmental Health Disparities Map v 2.0, available at:
<https://fortress.wa.gov/doh/wtnibl/WTNIBL/>.

1 applicant's lived experience and community representation, ten candidates were
2 selected to participate in Cascade's EAG. The EAG members participating currently
3 serve highly impacted communities or identify as a member within a vulnerable
4 population located in Cascade's service territory. Out of the ten candidates selected,
5 seven remain on the committee. Cascade is pleased that it has seven active members
6 but is open to growing the group so that it has eight to ten members which the
7 Company believes would be the optimum number to provide broad representation
8 while still allowing for individual participation.

9 **Q. Do you foresee the EAG membership or the communities represented changing**
10 **over time?**

11 A. Yes. Cascade expects that over time, members may rotate out of the group for
12 various reasons and will be replaced. But the Company also expects that other
13 disenfranchised customer groups may be identified and become represented in the
14 EAG. The Company is open to the EAG evolving and changing as more is learned.

15 **Q. What will impact the evolution of the Company's EAG?**

16 A. In September 2023, the Commission opened Docket A-230217 with the goal of
17 developing a policy statement on the application of equity and justice in the
18 Commission and regulated utility processes and decisions. The Company anticipates
19 that this policy statement, as well as conversations with its advisory groups and
20 responses to outreach efforts for customer collaboration, will all continue to shape
21 the EAG and the direction in which it grows in the future.

1 **Q. What is the EAG's role?**

2 A. The EAG's Charter, which is attached as Exh. NO-9, defines the EAG's purpose as
3 follows:

4 The EAG is designed to inform the development of the Company's energy
5 equity processes and provide guidance on other company activities relevant,
6 but not limited to, community engagement, energy efficiency, regulatory
7 obligations, bill payment assistance programs, resource planning,
8 decarbonization, expanding access and removal of barriers for underserved
9 and overburdened customers.¹⁶

10 **Q. How often does the EAG meet?**

11 A. The EAG meets monthly. Exh. NO-10 is the schedule for EAG meetings for the
12 period starting September 27, 2023, when EAG meetings commenced, to December
13 13, 2024.

14 Besides these regularly scheduled meetings, the Company may email
15 information to members either in preparation of meetings or to respond to comments
16 or questions that were raised in meetings.

17 **Q. Who facilitates the EAG meetings?**

18 A. Cascade facilitates the meetings, and I lead Cascade's representation at the meetings.

19 **Q. Do other Cascade employees attend the EAG meetings?**

20 A. Yes. I regularly attend EAG meetings, and the Director of Regulatory Affairs also
21 attends. While Cascade facilitates the discussions, the Company maintains a low
22 profile at the meeting, inviting subject matter experts from the Company only on an
23 as-needed basis. Cascade is sensitive to the possibility that others may perceive the
24 EAG as having too many Cascade members, who might unintentionally create a

¹⁶ Exh. NO-9 at p. 4.

1 power structure that would hamper sharing and conversation among all EAG
2 members.

3 **Q. What topics has Cascade brought to its EAG?**

4 A. Below are the topics that have been on the EAG meeting agendas from September
5 2023 through January 2024. This includes only planned discussion topics and not
6 those raised by EAG members through questions or comments. Planned topics are
7 included in Exh. NO-11, EAG Meeting Agendas, and meeting materials including
8 presentation and handouts are included in Exh. NO-12, EAG Meeting Materials.

- 9 • The first EAG meeting focused on introductions, member expectations,
10 including the expected time commitment; members' questions and issues of
11 concern for the Company, and best meeting dates for members.
- 12 • Cascade provided an overview of the Commission's proceeding in Docket A-
13 230217, wherein the Commission intends to develop a policy statement to
14 address the application of equity and justice in Commission processes and
15 decisions. Cascade encouraged EAG members to respond to the
16 Commission's Notice of Opportunity to File Written Comments, issued
17 September 29, 2024.
- 18 • Cascade provided an overview of the general rate case process and notified
19 members that it would be filing a multiyear rate plan the first quarter of 2024.
20 The Company told members it would continue to provide updates on the
21 filing and the process.
- 22 • Cascade presented an overview of the CARES program, implemented
23 October 1, 2023. CARES offers qualifying low-income customers with bill
24 discounts and, if needed, arrearage relief through financial grants. This
25 program and outreach for this program are discussed in detail in Daniel L.
26 Tillis's testimony (Exh. DLT-1T).
- 27 • Commission Staff provided an overview of the general rate case process and
28 explained how to track a docket, intervene in a proceeding, and submit
29 comments.
- 30 • Cascade provided an overview of the Washington Incentive Program
31 ("WIP"), which offers weatherization services and high efficiency appliance
32 upgrades at no direct cost to qualifying low-income customers within the
33 Company's Washington service territory.

- 1 • The committee members discussed best practices for informing hard-to-reach
2 customers, which included discussions about improving non-English
3 translations and accommodating customers with no internet or social media
4 access.
- 5 • Cascade provided an overview of its Integrated Resource Process and asked
6 for input on how the EAG would like to be involved.
- 7 • The Company provided an overview of the Climate Commitment Act and the
8 Company's compliance requirements.

9 Overall, in its initial meetings, the Company has been providing quite a bit of
10 backdrop information as the regulatory landscape is unique, complex, and unfamiliar
11 to many. The Company has clarified that more specific information will be provided
12 for each regulatory topic that has been introduced (e.g. the multiyear rate plan,
13 integrated resource planning, Climate Commitment Act, and the Commission's
14 proceeding on equity, Docket A-230217), and Cascade will seek input as data is
15 collected, inequities are identified, and mitigating proposals are discussed.

16 **Q. Have you received actionable feedback from the EAG?**

17 A. Yes. Cascade is pleased with the conversations already being generated within the
18 EAG. Members have provided useful, actionable feedback, which the Company
19 documents and provides in Exh. NO-13, EAG Feedback and Tracking. The
20 following discussion highlights two EAG conversations that have already resulted in
21 positive changes:

22 In a discussion on how to provide service information to hard-to-reach
23 customers, the EAG challenged the Company to improve the readability of its
24 Spanish website translation. Cascade took this feedback and upgraded its translation
25 services subscription for improved readability in Spanish. The Company also asked
26 me (as a Spanish-speaker) and other Spanish-speaking members of its EAG to

1 review outreach materials that were translated into Spanish to verify that the
2 materials were clearly communicating and readable. This is also discussed in Daniel
3 L. Tillis's testimony, Exh. DLT-1T, because Daniel Tillis oversees customer service,
4 which is the front lines for equity considerations, and because his areas of
5 responsibility impacts each customer's experience with the Company.

6 A second example is the EAG's conversation about the income eligibility
7 requirements for enrollment into the Company's bill discount program, CARES. An
8 EAG member provided feedback that eligibility information provided both in the
9 online program descriptions as well as in the tariff was insufficient for understanding
10 if a person was likely to qualify for the program. The EAG member explained that
11 navigating enrollment can be difficult for the elderly, people with mental health or
12 medical issues, and advocates trying to assist multiple people. The Company took
13 this feedback and revised its webpage to provide significant detail about the income
14 eligibility requirements for CARES. The website verbiage is provided as Exh. NO-
15 14, CARES Income Eligibility Transparency for Website. The revised website was
16 shared with the EAG at the next EAG meeting, where it was well received.

17 V. USE OF THE EAG IN THIS MULTIYEAR RATE PLAN

18 **Q. Has the EAG been involved in this multiyear rate plan?**

19 A. Yes. Cascade provided the EAG with an overview of the multiyear rate plan
20 regulatory process, Commission Staff and Public Counsel have done the same. The
21 EAG has received guidance on how to track the proceeding and how to intervene,
22 and Cascade has committed to providing the EAG with updates on the proceeding.

23 See Exh, NO-12, EAG Meeting Materials.

1 **Q. Please elaborate on the actions the Company will take to mitigate rate impacts**
2 **on low-income customers as a result of this general rate case.**

3 A. Cascade acknowledges that increased utility bills will burden low-income customers
4 most. To address this, Cascade proposes that its compliance filing to this multi-year
5 rate case, that will be submitted after the proceeding is adjudicated and the
6 Commission has issued its final order, include an analysis of the impact that the
7 approved rate increase will have on income-qualified customers receiving a bill
8 discount on CARES. If the analysis shows that CARES customers' natural gas
9 energy burden is higher than three to three and a half percent (the program goal as
10 stated in Schedule 302 provided as the second exhibit to Daniel L. Tillis's testimony,
11 Exh. DLT-3), the Company's compliance filing will also include revisions to the
12 Schedule 302 discount percentages so that low-income customers' energy burden
13 will remain within the three to three and a half percentage target range. This proposal
14 is discussed in further detail in Daniel L. Tillis's testimony, Exh. DLT-1T.

15 **VI. FUTURE APPLICATION OF AN EQUITY LENS AT CASCADE**

16 **Q. How will Cascade incorporate an equity lens in its future decision-making**
17 **processes?**

18 A. As mentioned earlier, Cascade understands that prioritizing equity must come from
19 the top down. The Company's Vice President, Regulatory Affairs and Customer
20 Service has led the discussion related to equity initiatives with the Company's officer
21 team and is the executive sponsor for the Company's ongoing equity work.

22 I, personally, have been identified as a resource to colleagues with questions
23 about how to overlay energy justice into existing processes, and Regulatory Affairs

1 is a backup resource for training and clarification. Further, the Company's creation
2 of the position I currently hold demonstrates that it is investing in long-term human
3 resources to facilitate the Company's growth in equity.

4 The Company has identified several initiatives it will implement to continue
5 transforming its culture towards having a perspective for equity in its planning and
6 decision-making processes.

7 **Q. What initiatives has Cascade planned for encouraging its growth in applying**
8 **equity to its decision-making processes?**

9 A. Cascade will continue the equity-related work that it has started, and it will
10 implement new initiatives, as discussed in this testimony and the direct testimony of
11 Daniel L. Tillis, Exh. DLT-1T. In addition:

- 12 • Cascade has mapped highly impacted communities and overlaid these maps
13 with information about arrearages, disconnections, bill payment assistance
14 uptake, and low-income propensities as determined by a third-party study. A
15 sample of the raw highly impacted community data and its correlating billing
16 data is provided in the seventh exhibit to Daniel L. Tillis's direct testimony, Exh.
17 DLT-9. The Company has made this data graphically presentable in its
18 geographical information system, as shown in the ninth exhibit to Daniel L.
19 Tillis's direct testimony, Exh. DLT-10. Daniel L Tillis's direct testimony, Exh.
20 DLT-1T, offers more detail on this, explaining that the Company is in the
21 beginning stages of tracking this data and looking for correlations that might
22 point to inequities that require restorative justice.
- 23 • Cascade has begun discussing its integrated resource plan with the EAG, will
24 continue to invite them into the process, and will use the EAG's feedback to
25 ensure equity is considered throughout the planning process.
- 26 • The Company plans to integrate its mapping of highly impacted communities
27 into the Company's process for evaluating capital expenditures and pipeline
28 safety repair or replacement. The Company will begin identifying whether
29 planned projects are located in highly impacted communities. Once the mapping
30 is in place, the Company plans to develop a standard cost benefit analysis
31 template that can be used to solicit feedback from the EAG and/or other

1 community stakeholders to guide Cascade in the process of making equity a
2 pillar in its planning decisions.

- 3 • Cascade is aware that customer outreach must be tailored for various customer
4 groups because, as examples, not all customers speak English or access the
5 internet and social media. Cascade continues to discuss improving its outreach
6 with its EAG and its other advisory groups. This is an ongoing process that will
7 need continual attention. This topic is also addressed in Daniel L. Tillis's direct
8 testimony DLT-1T.

9 **Q. Do you believe Cascade's integration of equity is happening quickly enough?**

10 A. That is a difficult question because when one recognizes something is wrong, the
11 impulse is to want a solution immediately. However, Cascade understands that the
12 application of equity into its business must be iterative. Making the paradigm shift
13 quickly would require the Company to act on its own assumptions without
14 collaboration, which would contradict efforts towards recognition justice and
15 procedural justice. Although a truly collaborative process takes some time, Cascade
16 believes it will be essential in producing outcomes that integrate the four tenets of
17 energy justice into Cascade's business processes going forward.

18 **VII. CONCLUSION**

19 **Q. Does this conclude your testimony?**

20 A. Yes.