

**EXH. SMS-4T  
DOCKETS UE-170033/UG-170034  
2017 PSE GENERAL RATE CASE  
WITNESS: SUZANNE M. SASVILLE**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**Docket UE-170033  
Docket UG-170034**

**PREFILED REBUTTAL TESTIMONY  
(NONCONFIDENTIAL) OF  
SUZANNE M. SASVILLE  
ON BEHALF OF PUGET SOUND ENERGY**

**AUGUST 9, 2017**

**PUGET SOUND ENERGY**

**PREFILED REBUTTAL TESTIMONY  
(NONCONFIDENTIAL) OF  
SUZANNE M. SASVILLE**

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1 **PUGET SOUND ENERGY**

2 **PREFILED REBUTTAL TESTIMONY**  
3 **(NONCONFIDENTIAL) OF**  
4 **SUZANNE M. SASVILLE**

5 **I. INTRODUCTION**

6 **Q. Are you the same Suzanne M. Sasville who submitted prefiled direct**  
7 **testimony on January 13, 2017, on behalf of Puget Sound Energy (“PSE”) in**  
8 **this proceeding?**

9 A. Yes.

10 **Q. What is the purpose of your rebuttal testimony?**

11 A. My rebuttal testimony discusses PSE’s common ground with both The Energy  
12 Project (“TEP”) and WUTC Staff (“Staff”) on:

- 13 • the growing need in PSE’s service territory for increased funding  
14 for low-income customers;
- 15 • the increased funding levels proposed for the PSE Home Energy  
16 Lifeline Program (“HELP”) program;
- 17 • changes to the distribution of funds ratio between electric and gas  
18 HELP customers;
- 19 • allowing for two-year certification of certain income-eligible  
20 customers; and
- 21 • changing the eligibility threshold metric from Area Median Income  
22 to Federal Poverty Level.

23 In addition, my rebuttal testimony supports proposals from both TEP and Staff to  
24 establish a Low-Income Advisory Group and Staff’s proposed clarification on

1 base funding level. Finally, my rebuttal testimony reaffirms PSE’s commitment to  
2 working with Community Action Agencies on Get to Zero (“GTZ”) initiatives.

3 **II. THE PARTIES GENERALLY AGREE WITH PSE’S**  
4 **ANALYSIS AND PROPOSED CHANGES FOR THE HOME**  
5 **ENERGY LIFELINE PROGRAM**

6 **Q. Did any party suggest PSE HELP was unnecessary or suggest substantially**  
7 **different proposals to fund PSE HELP?**

8 A. No. In general, parties express support for the continued need for PSE HELP and  
9 approve of PSE’s active management of the program to optimize the substantial  
10 benefits it provides for low-income rate payers.<sup>1</sup> Below I describe in more detail  
11 the support expressed for PSE’s proposed changes to HELP.

12 **A. The Growing Need For Funding**

13 **Q. Did any party disagree with PSE’s analysis and conclusion that the level of**  
14 **need for energy assistance in PSE’s service territory is unmet?**

15 A. No. The parties who address low-income issues in their response testimony agree  
16 that the need for energy assistance in PSE’s service territory is not fully met. TEP  
17 agrees that the “need is substantial . . . around a quarter of a million people”<sup>2</sup> and  
18 that PSE’s estimate based on U.S. Census Federal Poverty Level data is practical  
19 and useful; however, TEP cautions that PSE’s estimate could be considered  
20 conservative when compared to other metrics of income insecurity such as

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<sup>1</sup> Liu, Exh. JL-1CT at 69:16-17.

<sup>2</sup> Collins, Exh. SMC-1T at 3:4-7.

1 University of Washington's Self-Sufficiency Standard or United Way's Asset  
2 Limited, Income Constrained, Employed metric. Staff agrees that an increase in  
3 HELP funding tied to a future residential rate increase is necessary.<sup>3</sup>

4 **B. Increased HELP Funding From PSE**

5 **Q. Did any party disagree with PSE's proposed funding levels for HELP?**

6 A. No parties disagree with PSE's proposal that annual funding for HELP increase  
7 by double the corresponding overall percentage increase to the residential rate  
8 class approved by the Commission in this case but that the funding level would  
9 remain the same as the previous program year in the event of an overall rate  
10 decrease to the residential customer bill. TEP and Staff express support for PSE's  
11 proposed funding levels.<sup>4</sup> TEP and Staff also agree that PSE's funding proposal  
12 and levels are consistent with the prior Commission orders. In support of this  
13 increase, TEP cites several Commission orders,<sup>5</sup> and Staff cites PSE's 2013  
14 Decoupling Order and Commission orders addressing other utilities.<sup>6</sup> Finally,

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<sup>3</sup> Liu, Exh. JL-1CT at 71:20 - 72:8.

<sup>4</sup> Collins, Exh. SMC-1T at 5:13-17; Liu, Exh. JL-1CT at 71:2.

<sup>5</sup> Collins, Exh. SMC-1T at 5:19-6:13 (citing *In re Pet. of Puget Sound Energy, Inc., and NW Energy Coal.*, Dockets UE-121697 and UG-121705, UE-130137/UG-130138, Order 07 at ¶ 174; *WUTC v. Avista Corp.*, UE-150204/UG-150205, Order 05 at ¶ 232; *WUTC v. Pac. Power & Light*, UE-152253, Order 12 at ¶ 241).

<sup>6</sup> Liu, Exh. JL-1CT at 72:6-8 (citing 2013 Decoupling Order at ¶¶ 174-177); *WUTC v. Avista Corp.*, Dockets UE-150204 and UG-150205, Order 05 at ¶ 232 (Jan. 6, 2016); *WUTC v. Cascade Nat. Gas Corp.*, Docket UG-152286, Order 04, at ¶ 12 (Jul. 7, 2016).

1 Staff raises a point of clarification about PSE’s proposed funding level for  
2 HELP,<sup>7</sup> which I discuss below.

3 **C. The Parties Agree that the Funding Ratio Between Electric and Gas**  
4 **Customers Should Be Adjusted from 75/25 to 80/20**

5 **Q. Do parties express concerns over PSE’s proposal to adjust the funding**  
6 **distribution ratio between electric and gas customers from 75/25 to 80/20?**

7 A. No. TEP agrees that PSE’s proposal to change the funding ratio between electric  
8 and gas customers from 75/25 to 80/20 allows for funds to be directed where they  
9 are most currently utilized.<sup>8</sup> Staff agrees and further suggests that funds be closely  
10 monitored and adjusted as needed in the future.<sup>9</sup> PSE agrees with Staff that funds  
11 should be closely monitored and adjusted as needed.

12 **D. The Parties Agree that a Two-Year Certification Would Benefit Many**  
13 **Low-Income Households**

14 **Q. Do any parties express concerns regarding PSE’s proposal to allow**  
15 **Community Action Agencies (“Agencies”) to certify certain income eligible**  
16 **participants for two years instead of one?**

17 A. Parties generally support PSE’s proposal to allow Agencies to certify certain  
18 income eligible participants for two years instead of one. TEP notes this change  
19 could help limited mobility customers and potentially reduce the administrative

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<sup>7</sup> Liu, Exh. JL-1CT at 71:6-16.

<sup>8</sup> Collins, Exh. SMC-1T at 7:11-12.

<sup>9</sup> Liu, Exh. JL-1CT at 72:14.

1           burden of the Agencies.<sup>10</sup> Staff believes this approach is worth taking and is  
2           consistent with other state utilities. Staff encourages PSE to work closely with the  
3           Agencies to evaluate the actual benefits of certifying customers for two years,<sup>11</sup>  
4           due to potential confusion caused to customers by renewal every other year, when  
5           HELP benefits must be renewed annually.<sup>12</sup> PSE agrees with Staff that it will be  
6           important to work closely with the Agencies regarding setting up and evaluating  
7           the two-year certification process.

8   **E.   The Parties Agree that Income Eligibility Should Be Based on the**  
9   **Federal Poverty Level, Not Area Median Income**

10 **Q.   Do parties express any concerns regarding PSE’s proposal to change the**  
11 **income eligibility threshold from Area Median Income to Federal Poverty**  
12 **Level?**

13 A.   No. Parties are supportive of PSE’s proposal to remove Area Median Income as a  
14       factor in determining income eligibility and focus solely on Federal Poverty  
15       Level. As TEP notes, this recommendation came specifically from the Agencies  
16       because it simplifies the income eligibility determination and helps them more  
17       easily administer PSE HELP.<sup>13</sup> TEP further notes that Federal Poverty Level is  
18       used by most other utilities in the state.<sup>14</sup> Staff also supports the proposal because

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<sup>10</sup> Collins, Exh. SMC-1T at 7:16-21.

<sup>11</sup> Liu, Exh. JL-1CT at 73:10-14.

<sup>12</sup> Liu, Exh. JL-1CT at 73:1-9.

<sup>13</sup> Collins, Exh. SMC-1T at 8:13-15.

<sup>14</sup> Collins, Exh. SMC-1T at 9:14-16.

1 it simplifies the calculation for determining eligibility and also potentially allows  
2 more customers to be eligible for PSE HELP.<sup>15</sup>

3 **III. PSE SUPPORTS STAFF'S RECOMMENDATION THAT**  
4 **THE COMMISSION CLARIFY THE OVERALL FUNDING**  
5 **LEVEL OF PSE HELP**

6 **Q. Why should the Commission clarify the overall funding level for PSE HELP?**

7 A. As Staff correctly notes, the current level of funding available each year for PSE  
8 HELP should be \$21.2 million, which it has been since the 2013 Decoupling  
9 Order that authorized an additional \$1 million per year for the program thereby  
10 increasing the annual funding level from \$20.2 million to \$21.2 million.<sup>16</sup> PSE  
11 agrees that \$21.2 million is the accurate total, and the Commission should clarify  
12 that number so that any new increases to the overall funding level will be added to  
13 the correct baseline amount.

14 **IV. PSE SUPPORTS THE FORMATION OF A LOW-INCOME**  
15 **BILL ASSISTANCE ADVISORY GROUP**

16 **Q. Does PSE agree with suggestions from TEP and Staff to form a low-income**  
17 **bill assistance advisory council?**

18 A. Yes. PSE supports forming a low-income bill assistance advisory group and  
19 agrees with Staff and TEP that such a collaborative advisory council would  
20 provide a forum for stakeholder engagement and continuous improvement of PSE  
21 HELP. PSE agrees with TEP that the costs of administering such a council should

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<sup>15</sup> Liu, Exh. JL-1CT at 74:5-11.

<sup>16</sup> Liu, Exh. JL-1CT at 71:7-16.



1 be recovered through general rates, similar to the manner in which Avista is  
2 authorized to recover such costs.<sup>17</sup>

3 **Q. Does PSE agree with the goals and considerations suggested by TEP and**  
4 **Staff for the low-income advisory council?**

5 A. Yes, PSE agrees with the general goals Staff discusses for the low-income  
6 advisory council,<sup>18</sup> and PSE agrees that the low-income advisory council should  
7 consider many of the items outlined by TEP, including expanding program  
8 offerings, improved outreach, and enhanced access.<sup>19</sup> However, the Commission  
9 should not be overly prescriptive in setting the agenda for this newly formed  
10 council. The Commission should provide general guidance while allowing the  
11 council to develop its own goals and agenda items that are unique to PSE's  
12 service territory and the HELP program.

13 **V. PSE REAFFIRMS ITS COMMITMENT TO WORKING**  
14 **WITH COMMUNITY ACTION AGENCIES ON GTZ**  
15 **INITIATIVES**

16 **Q. How will PSE's GTZ initiatives impact the ability of low-income customers**  
17 **and Agencies to speak with live agents?**

18 A. In his prefiled rebuttal testimony, Exh. DEM-4T, David Mills addresses several  
19 misperceptions about PSE's ongoing GTZ initiatives. As noted by Mr. Mills, the  
20 purpose of GTZ is to expand options for customers to interact with PSE based on

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<sup>17</sup> Collins, Exh. SMC-1T at 29:13-15.

<sup>18</sup> Liu, Exh. JL-1CT at 75:7-13.

<sup>19</sup> Collins, Exh. SMC-1T at 29:18-31:14.

1 their preferences and expectations. This includes PSE's low-income customers  
2 and Agencies. TEP expresses concerns that GTZ be properly coordinated with  
3 Agencies in order to not impair service for low-income customers with complex  
4 issues.<sup>20</sup> TEP also expresses concerns that GTZ may not coordinate with Agencies  
5 regarding referrals for utility assistance.<sup>21</sup> PSE's GTZ team has dedicated  
6 resources to better understanding and addressing low-income customers and  
7 Agencies, and it will work closely with them on issues such as referrals for utility  
8 assistance and others. PSE does, and will continue to, work with Agencies to  
9 ensure low-income customers' preferences for interacting with PSE are available.

## 10 VI. CONCLUSION

11 **Q. Does this conclude your rebuttal testimony?**

12 **A. Yes.**

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<sup>20</sup> Collins, Exh. SMC-1T at 12:13-17.

<sup>21</sup> Collins, Exh. SMC-1T at 15:14-19.